



GARY PUBLIC TRANSPORTATION CORPORATION 2008-2013 FINANCIAL PLAN

Winter 2008

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INTRODUCTION

The GPTC 2008-2013 Financial Plan is a program that identifies the operational direction of the Gary Public Transportation Corporation for the three-year period. In addition to these directives, the Plan will provide a financial framework showing the recommended expenses to implement the proceeding initiatives and, more importantly, the revenues necessary, and the strategies to achieve these revenues, to pay for implementation.

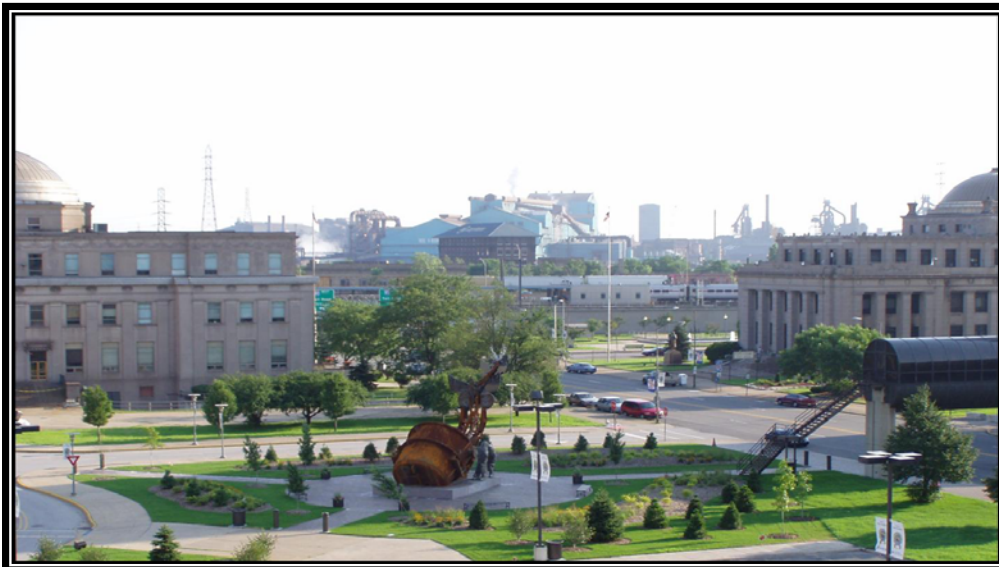
This document will describe the system and its performance in detail, identifying the services GPTC provides, how these services have been made, and how these services can be improved upon. These improvements may include:

- Streamlined transportation services
- New transportation services
- New facilities for management and public use
- New equipment to facilitate implementation

Operational and capital needs will be described. The key changes to these services will be described and, whenever possible, specific funding strategies and sources will be provided.

ABOUT THE GARY AREA

The City of Gary, Indiana sits on 50.2 square miles at the southern tip of Lake Michigan, in the northwest corner of the state. It is located approximately thirty miles from Chicago, IL and, with



Milwaukee, forms a significant urban corridor stretching across three states. Gary is the largest city founded in the 20th century. Built to accommodate the

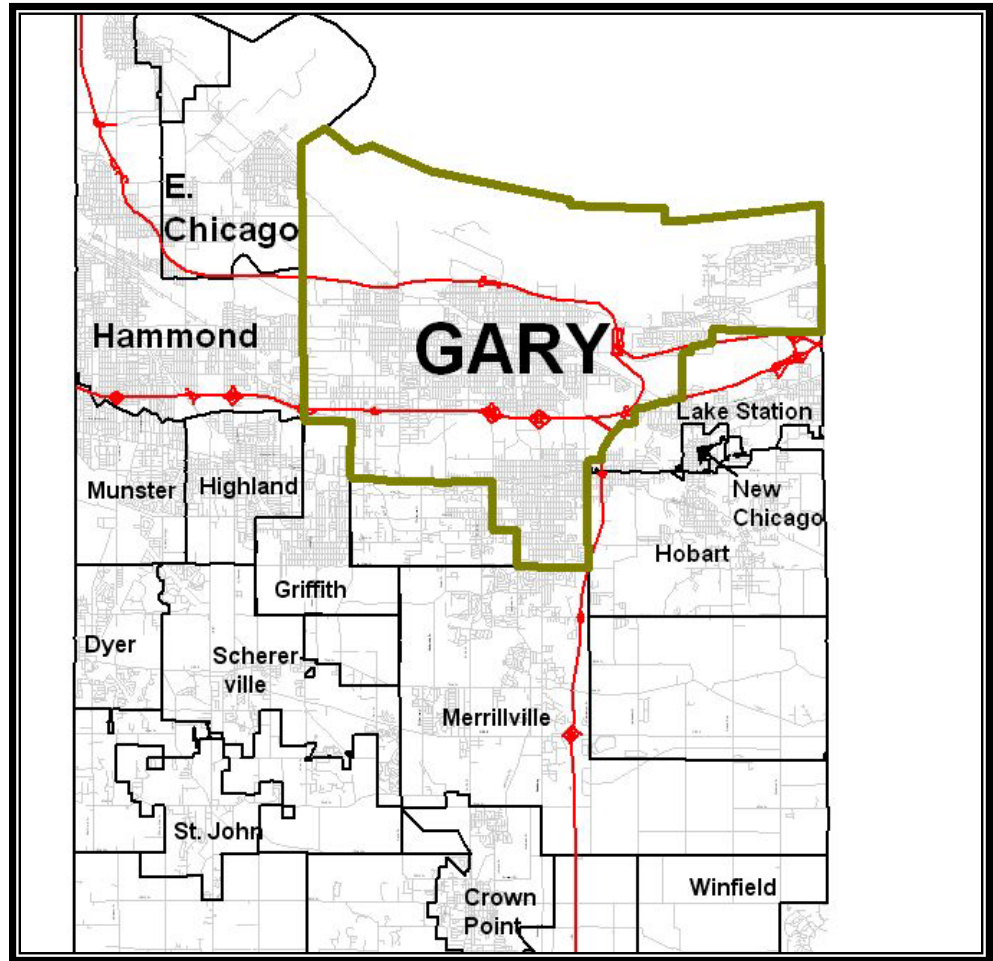
supporting businesses and workforce for a steel mill for United States Steel, Gary is now the largest city in Northwest Indiana. Over a century later, that mill still exists, and Gary boasts a population of about 100,000 based on 2007 estimates. It contains blue-collar factories anchoring large industrial development, as well as some of the most fragile natural environments in the world.

Industry remains Gary's primary industrial land use, most of which is contained on the northern end of the city along Lake Michigan. This industrial land is sandwiched by the Buffington Harbor entertainment complex on the western end of the lakefront, and miles of environmentally

sensitive areas mixed with public beach access on the east end of Gary's lakeshore, in the Miller neighborhood. The central business district and most commercial activity are located along the city's main street and north-south bisector, Broadway. The city is laid as a modified grid with few exceptions, facilitating separation of land uses and resulting in large residential areas with neighborhood retail nodes. These elements also facilitate the type of public transportation provided by GPTC.

In Lake County, there are three other cities that qualify as "central cities:" Hammond, East Chicago and Whiting.

Communities to the south of these lakefront "central cities" follow a gradient of suburban, exurban and rural. All four central cities are along the Lake Michigan shoreline, and are bordered to the south by several inner ring suburbs including Munster, Highland, Griffith, Merrillville, Lake Station and Hobart. The GPTC serves several of these suburbs; the cities of Hammond and East Chicago have their own bus services which are linked to GPTC express service.



The Gary area is served by three interstate corridors – two east-west routes and one north-south route. It is served by a commuter rail corridor called the South Shore Line, operated by the Northern Indiana Commuter Transportation District. This electric rail network connects downtown Chicago, IL with Gary, Hammond, East Chicago, Porter County, Michigan City and South Bend, IN. The South Shore line connects with GPTC at two of its three Gary stations. The Gary/Chicago International Airport on the city's west side accommodates Gary air travel opportunities.

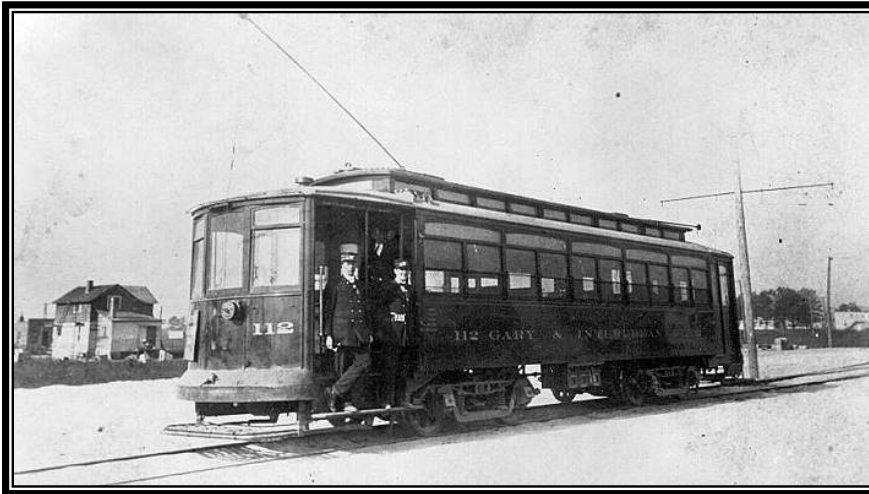
GPTC HISTORY

Though the Gary Public Transportation Corporation was born as a municipal corporation in 1974, its history as a private transportation service stretches to the first decade of the twentieth century.

The Gary & Interurban Railway Company operated streetcars starting in 1908, two years after the incorporation of the city of Gary. By 1920 there were streetcar lines, under the control of a myriad of rail companies, connecting downtown Gary and the city's lakefront steel mills to newly annexed areas such as Tolleston and Glen Park. Transit systems also connected the city to suburbs such as Crown Point, Hobart and Valparaiso. Throughout the 1930s and 1940s many of these lines were abandoned and replaced with bus service.



By the mid-1950s most of these lines, both within city limits as well as in the surrounding communities, were operated by Gary Railways, Inc. Gary Railways split into separate city (Gary-only) and suburban companies in 1956. Gary Intercity Lines – the suburban system – operated



until 1971, when all bus service outside of Gary was discontinued. The city bus service – Gary Transit – operated until 1975 and then became the public company now known as the Gary Public Transportation Corporation. Many of the routes currently run by GPTC are bus versions of the

streetcar lines created during the first years of Gary's existence.

The current system is not a city department, but is a separate municipal corporation which received a direct apportionment of property tax revenue similar to the City of Gary, the Gary Community School Corporation, and the Gary-Chicago Airport Authority. It is governed by a seven-member board which is selected by the Office of the Mayor and the Gary Common Council.

GPTC CURRENT OPERATING PROFILE

Currently, the Gary Public Transportation Corporation (GPTC) provides fixed route local and express transit service on weekdays, Saturdays and select holidays. The primary service area for the GPTC's system is the city of Gary, but the system provides express service to the communities of Crown Point, East Chicago, Hammond, Hobart and Merrillville. Some express service connects to local fixed route bus services in Hammond and East Chicago.

The GPTC operates thirteen routes at peak periods. Service hours are from roughly 5:00AM to 11:00PM on weekdays and holidays. Frequencies during peak periods for most routes are 30 and 60 minutes on weekdays, and 60 minutes on Saturdays and holidays. In addition to fixed-route service, the GPTC operates a complementary paratransit service for eligible citizens.

The GPTC has 23 buses for its fixed-route service. Nineteen vehicles are required to operate regular service during peak weekday periods. The total revenue hours operated on a typical weekday are 230. Saturday and holiday total revenue hours are 197. The daily revenue miles operated total 2,932 on typical weekdays, and 2,716 on Saturdays and holidays.

The GPTC route network is a modified radial system with all routes but two focused on downtown Gary, specifically the Adam Benjamin Metro Center. The Metro Center connects the bulk of GPTC's local system to commuter rail via the aforementioned South Shore Line. Private interstate bus lines, taxicab service and commuter bus service also use the Metro Center as a hub. The only routes that do not converge at the Metro Center are GPTC's Crosstown route (an east-west route that connects to buses on major north-south local roads) and the US 30 Circulator, which connects to the South Broadway Express route in Merrillville and accesses retail and office developments in Merrillville and Hobart.

GPTC SERVICE BREAKDOWN

The Gary Public Transportation Corporation operates two types of fixed route service as well as its complementary paratransit service. The fixed route services include local bus and regional express.

Local Routes

There are ten local routes on the GPTC system. These routes all serve the city of Gary proper, and provide transit access to every portion of the city.

Most of the local routes in the system are designed to provide service from residential neighborhoods, connecting at the Metro Center to routes that service employment, educational and retail generators. The termini of most local routes are in residential areas. This type of service was inherited from the streetcar system from which many of GPTC's local routes were adopted. These streetcars were designed to connect outlying "bedroom communities" to the mills at Gary Works and other employment in downtown Gary.

Most of GPTC's local routes travel Broadway and then fan in an east-west direction, though there are exceptions. Two local routes create a loop in the central part of Gary while serving residential, commercial, educational and health care providers. Lastly, GPTC operates a cross-

town route that does not provide direct service to the Metro Center, but connects relatively remote residential neighborhoods to routes serving the Metro Center and the Broadway corridor (see below).

The Broadway Corridor

Several GPTC routes, in addition to serving residential neighborhoods in the Glen Park area of the city, provide relatively high-frequency service to traffic generators along Broadway, Gary's north-south main street. From downtown Gary to the Indiana University Northwest campus in the University Park area, three local bus routes and one regional route provide service along Broadway at regular intervals. Though these services operate on 30-60 minute headways, together they provide much shorter headways between traffic generators along the Broadway corridor. Because of the presence of this high transit service, GPTC has advocated the concentration of new development along Broadway, and is investigating a special Broadway schedule to assist riders. The local Broadway Corridor buses are Tiberon Trails (Route 1), 45th and Johnson (Route 2) and Colonial Gardens (Route 16).

Regional Routes

The GPTC operates three regional routes, connecting its local services with generators and transit services outside of the city limits. The Tri-City Connection operates from the Adam Benjamin Metro Center and connects travelers to the business districts in downtown Hammond and East Chicago.

The South Broadway Express provides service from the Metro Center down Broadway to suburban Crown Point. Within Gary it is one of the routes that provide service to the Broadway corridor. South of Gary's corporate limit, the route provides service to other generators on Broadway in Merrillville, traveling south to 93rd Avenue and west to the Lake County Government Center in Crown Point.

The South Broadway Express also provides transfer opportunities to a third regional route, the US 30 Circulator. This route serves retail and other service generators along US 30 in suburban Merrillville and Hobart.

From present until the end of the plan, no changes are anticipated for the bulk of the routes in question. Service changes are scheduled for two regional routes in a partnership with the Northwest Indiana Regional Bus Authority (RBA), and will be described later in this document. The GPTC plans to review all routes on a regular basis, and has scheduled a comprehensive route analysis within the next two years. For the purpose of GPTC's financial forecast however, these are considered to be constant from 2008-2013 and will serve as the base system for the life of the financial plan. These mileage and hourly figures were inputs in development of costs for transportation and maintenance operating budgets.

Route Statistics

The following are statistics for each route. The first table shows statistics for base services, and the second table shows statistics after service enhancements performed in partnership with the RBA. Routes that serve the Broadway Corridor are underlined, and GPTC's regional routes are in **bold**.

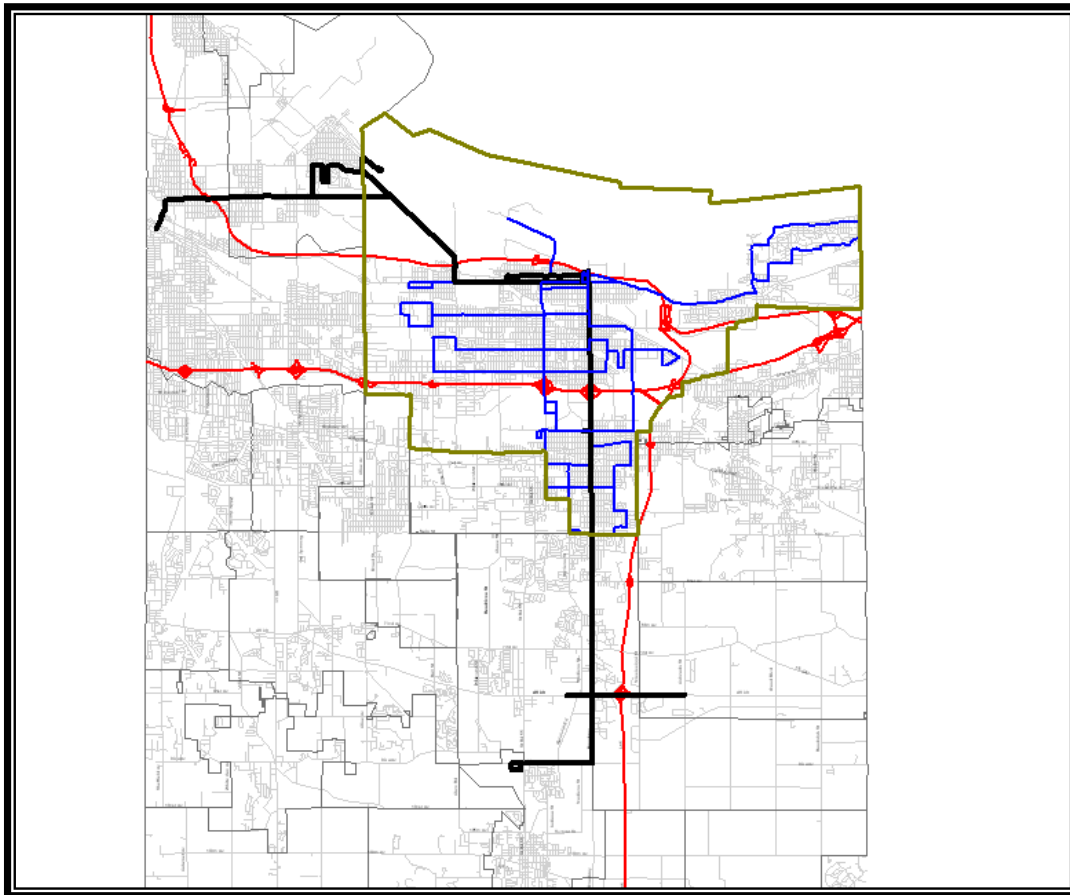
Base GPTC Route Statistics

| | Routes | Per-trip Mileage | Number of Daily Trips | Daily Revenue Hours | Daily Revenue Miles |
|--------------|------------------------------|---------------------|-----------------------------|---------------------------|---------------------------|
| 1 | <u>Tiburon Trails</u> | <u>7</u> | <u>26</u> | <u>12</u> | <u>186</u> |
| 2 | <u>45th & Johnson</u> | <u>6</u> | <u>35</u> | <u>17</u> | <u>207</u> |
| 6 | Crosstown | 7 | 34 | 16 | 243 |
| 7 | 9th & Colfax | 6 | 34 | 17 | 190 |
| 11 | 5th & Colfax | 5 | 32 | 16 | 150 |
| 12 | Tri-City | 16 | 16 | 15 | 250 |
| 13 | Oak & County Line | 9 | 33 | 16 | 294 |
| 15 | King Drive | 6 | 31 | 15 | 200 |
| 16 | <u>Colonial Gardens</u> | <u>7</u> | <u>30</u> | <u>29</u> | <u>222</u> |
| 17 | <u>South Broadway</u> | <u>15</u> | <u>42</u> | <u>45</u> | <u>634</u> |
| 19 | West 6 th | 7 | 27 | 13 | 182 |
| 20 | Circular | 4 | 40 | 19 | 174 |
| Total | | 95 | 380 | 230 | 2,932 |

GPTC Route Statistics (with Enhanced Regional Services)

| | Routes | Per-trip Mileage | Number of Daily Trips | Daily Revenue Hours | Daily Revenue Miles |
|--------------|------------------------------|---------------------|-----------------------------|---------------------------|---------------------------|
| 1 | <u>Tiburon Trails</u> | <u>7</u> | <u>26</u> | <u>12</u> | <u>186</u> |
| 2 | <u>45th & Johnson</u> | <u>6</u> | <u>35</u> | <u>17</u> | <u>207</u> |
| 6 | Crosstown | 7 | 34 | 16 | 243 |
| 7 | 9th & Colfax | 6 | 34 | 17 | 190 |
| 11 | 5th & Colfax | 5 | 32 | 16 | 150 |
| 12 | Tri-City | 16 | 30 | 30 | 468 |
| 13 | Oak & County Line | 9 | 33 | 16 | 294 |
| 15 | King Drive | 6 | 31 | 15 | 200 |
| 16 | <u>Colonial Gardens</u> | <u>7</u> | <u>30</u> | <u>29</u> | <u>222</u> |
| 17 | <u>South Broadway</u> | <u>15</u> | <u>64</u> | <u>60</u> | <u>966</u> |
| 19 | West 6 th | 7 | 27 | 13 | 182 |
| 20 | Circular | 4 | 40 | 19 | 174 |
| Total | | 95 | 416 | 260 | 3,483 |

The following map shows GPTC's local route coverage (in **blue**), and its three regional routes (in **black**).

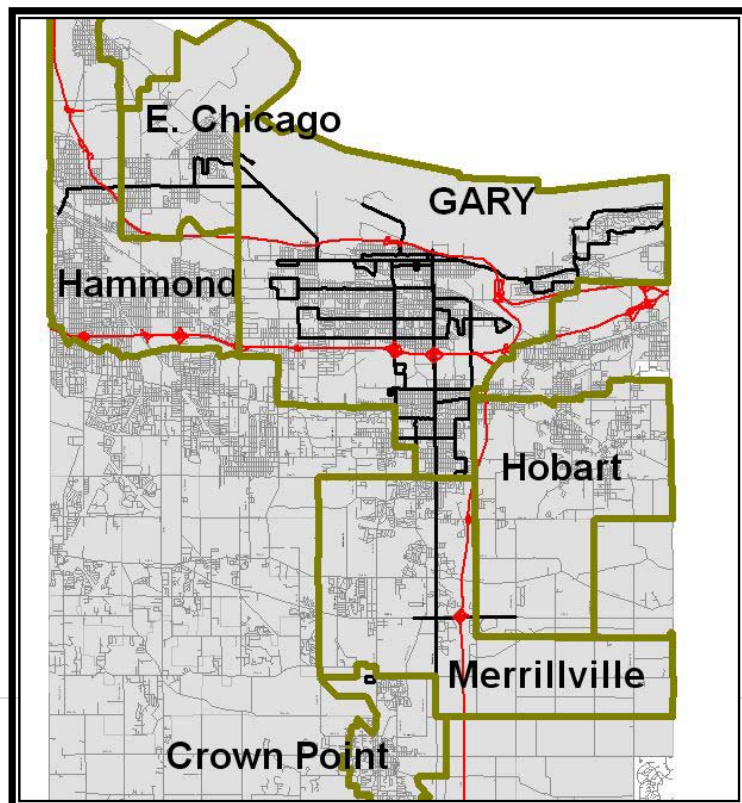


SERVICE AREA POPULATION

All told, GPTC provides service to the following communities:

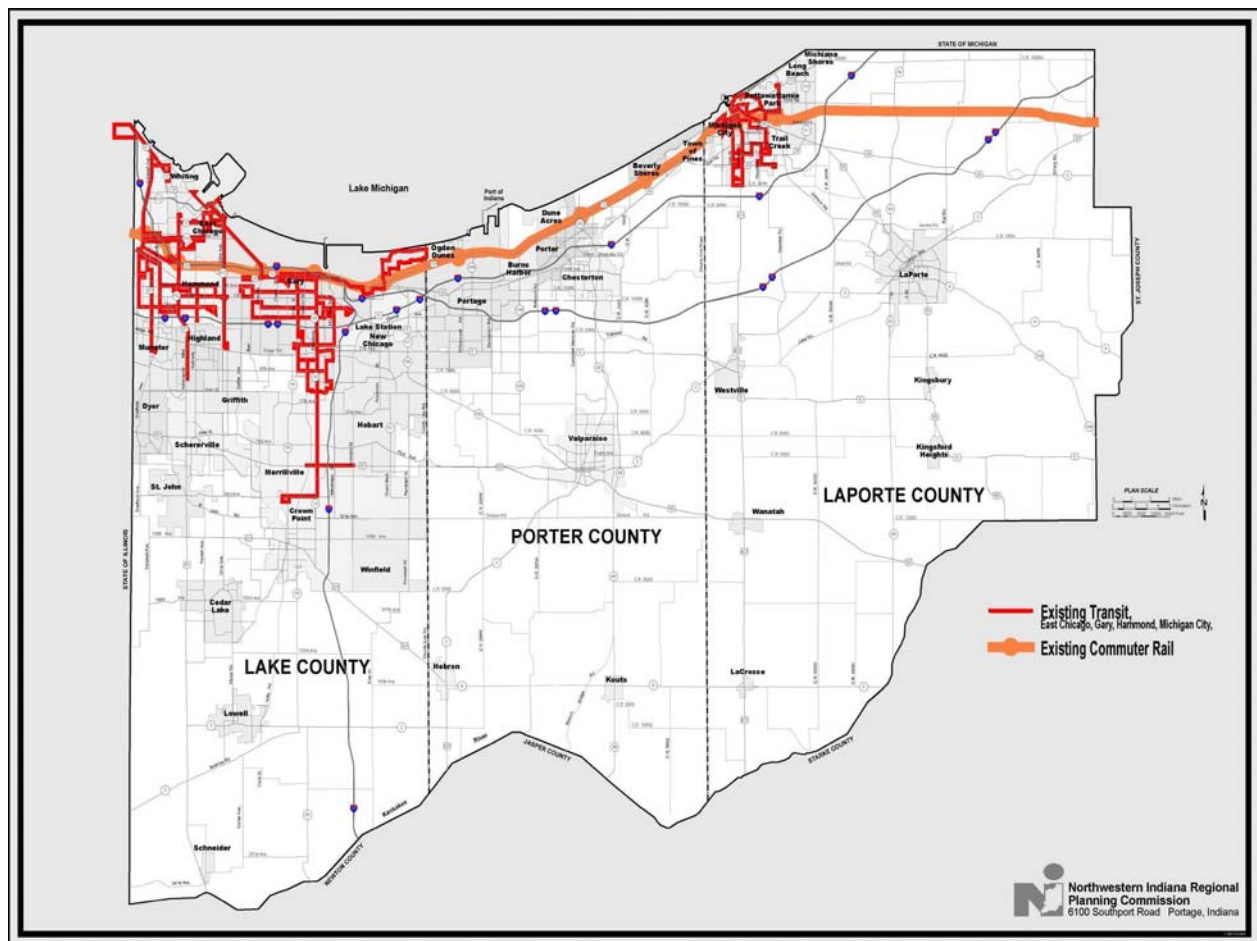
| | |
|--------------|---------|
| Gary | 100,000 |
| East Chicago | 31,000 |
| Hammond | 78,000 |
| Merrillville | 32,000 |
| Hobart | 28,000 |
| Crown Point | 24,000 |

The total population of the communities served by GPTC is approximately 300,000. The map at right shows the borders of these communities (in **gold**), and their relation to GPTC's route system (in black).



The GPTC system provides connectivity to other transit services in Northwest Indiana. The Hammond Transit System (HTS) provides service to the city of Hammond and offers two routes that serve suburban communities immediately south of Hammond. East Chicago Public Transit (ECPT) provides free service within its city limits. Service provided by GPTC also connects to the South Shore at the Metro Center station and at the Lake Street station in Miller Beach. The viability of an additional commuter rail line is being debated currently and, should this concept be approved, GPTC anticipates providing service to this rail corridor via the South Broadway Express.

The following map, courtesy of the Northwestern Indiana Regional Planning Commission, provides a snapshot of the connectivity of existing fixed route systems to each other and to the South Shore commuter line, in the Gary and Michigan City/LaPorte urban areas.



RECOMMENDED SERVICE CHANGES – 2004 ROUTE ANALYSIS

In 2004 a Route Analysis performed by a team led by Bernardin, Lochmueller and Associates (BLA) recommended four sets of changes to the GPTC route system. These changes focused on the following:

1. The Broadway Corridor - The Route Analysis recommended a revision of the schedules for the four routes serving the corridor, adjustments to the routes' running times, and advised GPTC on interlining options. An excerpt from the Route Analysis:
 - Schedules on routes 1, 2, 16 and 17 should be revised to have consistent and coordinated running times. A consolidated schedule for these routes should be published.
 - Scheduled running times should be revised to provide adequate schedules, including scheduled recovery time. This scheduled round-trip running time for routes 1, 2, and 16 will be between 60 and 64 minutes. This running time does not include any scheduled recovery time.
 - In order to provide additional running time while making most efficient use of buses and operators, the schedules for routes 1, 2, and 16 should be interlined. This will result in the assignment of one additional bus to current schedules. If one of the two buses now assigned as an "extra" were reassigned to the Broadway corridor, this change could be made with no change in operating costs or bus requirements.
2. Central Area Routes - The BLA analysis also recommended changes to how service is provided in areas just east and west of Broadway:
 - Consolidate Routes 4 and 10 to create a 21st Avenue Crosstown. See Figures 2 and 4. Service would be provided every 60 minutes, AM through PM peaks. Buses would not go to the Metro Center. Transfers will be available at Broadway (to and from routes 1, 2, 16, and 17). Transfers also would be available at Grant and Martin Luther King (to Routes 15 and 19).
 - Consolidate Routes 13 and 14. Nearly all areas now served by Route 14 would be served by other routes. See Figure 6.
 - Provide all day service on Route 11, using savings from Route 13 consolidation.
 - Provide service to West 8th Avenue corridor in one of two ways. Under Option 1, Route 11 is modified to serve 8th Avenue and Wabash/Waverly. Under Option 2, Routes 15 and 19 are modified to serve 8th Avenue. See Figures 7, 8, and 9.
 - This restructuring package for east-west crosstown service is forecasted to result in annual ridership increases of 17,000 - 33,000, annual revenue increases of \$8,000 to \$32,000, and annual operating cost decreases of \$77,000 to \$83,000.
3. Point Deviation Bus - Several years prior to the BLA analysis, GPTC eliminated midday service on several routes, and created a route that allowed for point deviation service and provided midday service for areas served by those traditional

routes with no midday service. The BLA analysis recommended this Point Deviation Bus be eliminated, and recommended the return of midday service to the other routes in question.

RECENT SERVICE CHANGES

The Gary Public Transportation Corporation reviewed these recommendations and assessed existing conditions. The following service changes have been made by GPTC since 2004:

SERVICE CHANGES 2004-2007

| Route | Date | Type | In Route Analysis? | Description | Result |
|--------------|-------------|--------------------|---------------------------|---|---|
| Route 14 | Fall 2004 | Re-alignment | | Roue 14 changed to a shuttle from downtown Miller | Interlined in Fall 2007 (see below) |
| Route 11 | Fall 2004 | Consolidation | Yes | Western end of Route 14 merged into Route 11, reducing duplication while maintaining service to Horace Mann neighborhood | Successful; scheduled service maintained without a reduction in transit coverage based on .25mi threshold |
| Route 11 | Fall 2004 | Frequency increase | Yes | Restored midday service | Successful; restored full service to US 12/20 corridor |
| Route 6 | Fall 2004 | Consolidation | Yes | Crosstown route created to serve most areas formerly served by Routes 4 and 10 | Successful; connections to north-south routes occur at adequate frequencies. Midday service returned to service area |
| Route 21 | Fall 2004 | Elimination | Yes | Point Deviation Bus suspended | Rte 21 existed to serve areas not served during mid-day. These areas regained all-day service, eliminating the need for this route |
| Route 17 | Fall 2006 | Timepoint | | Northern terminus moved to Metro Center | Reduced strain on schedule adherence |
| Route 17 | Fall 2006 | Service increase | | Evening service increased | |
| Route 13 | Fall 2007 | Interlining | Yes | Eastern end of Route 14 interlined with Route 13, reducing duplication while providing service to large apartment complex | Under review; 3.4 mi added to Rte 13. Non-peak service added to Sunshine subdivision and Woodlake Village. No reduction in transit coverage based on .25 mi threshold |

STATISTICAL INFORMATION ON EXISTING SERVICES

The following pages contain statistical information on GPTC's system and performance. This information is based on the same data used for GPTC's reporting to the National Transit Database.

Existing Ridership

The Gary Public Transportation Corporation fine-tuned ridership compilation methodology in 2007. The organization's Finance and Planning/Marketing Divisions adjusted information, using this methodology, back to January 2006. As a result, ridership information from that point to the publication of this document is deemed more accurate for comparison purposes. Ridership for these years is shown herein. The first table shows 2006 ridership, segregated by fixed route and ADA paratransit. The second table shows the same data for 2007. The subsequent figures compare 2006 and 2007 ridership. The 11% decrease in ridership from 2006 to 2007 is in large part due to a higher-than-average amount of missed trips due to lack of operable rolling stock. This problem was alleviated by Maintenance Division modifications and the introduction of new rolling stock in early fall of 2007.

2006 RIDERSHIP

| <u>MONTH</u> | <u>FIXED ROUTE</u> | <u>ADA</u> | <u>TOTAL</u> |
|---------------------|---------------------------|-------------------|---------------------|
| January | 94,518 | 486 | 95,004 |
| February | 88,379 | 489 | 88,868 |
| March | 97,068 | 607 | 97,675 |
| April | 94,523 | 533 | 95,056 |
| May | 86,182 | 562 | 86,744 |
| June | 92,784 | 601 | 93,385 |
| July | 85,204 | 527 | 85,731 |
| August | 79,127 | 726 | 79,853 |
| September | 78,531 | 523 | 79,054 |
| October | 86,186 | 513 | 86,699 |
| November | 84,569 | 788 | 85,357 |
| <u>December</u> | <u>81,614</u> | <u>577</u> | <u>82,191</u> |
| YEAR-TOTAL | 1,048,685 | 6,932 | 1,055,617 |

2007 RIDERSHIP

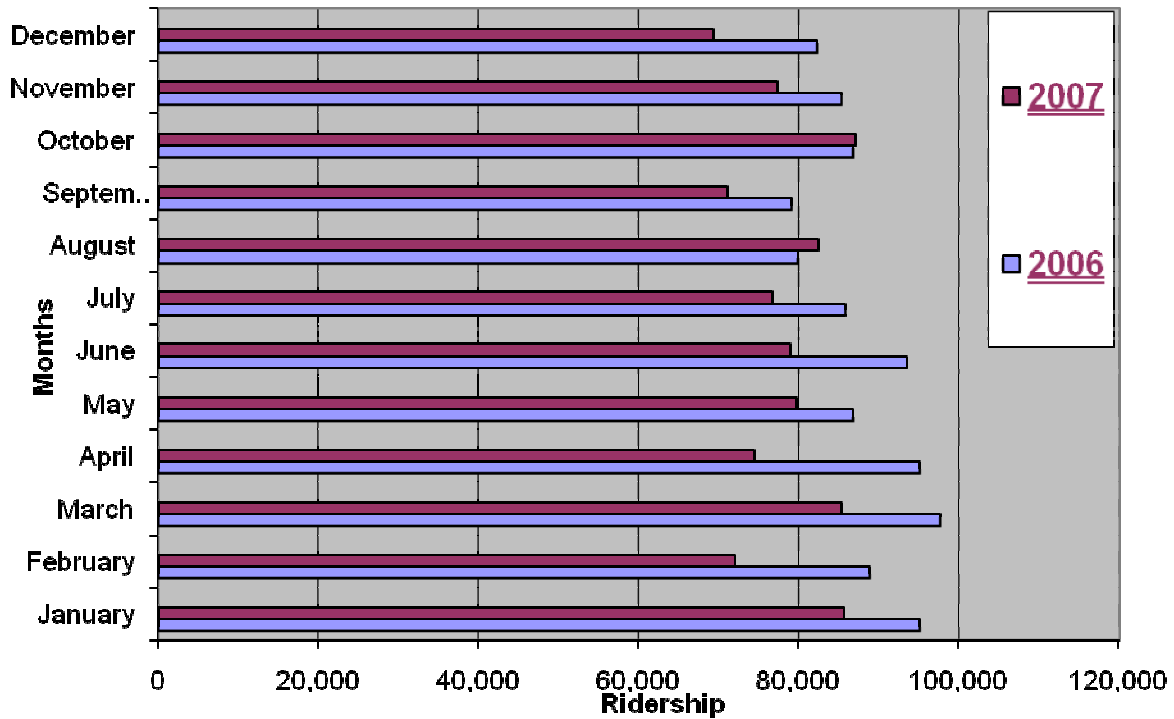
| <u>MONTH</u> | <u>FIXED ROUTE</u> | <u>ADA</u> | <u>TOTAL</u> |
|---------------------|---------------------------|-------------------|---------------------|
| January | 84,657 | 919 | 85,576 |
| February | 71,091 | 842 | 71,933 |
| March | 84,308 | 939 | 85,247 |
| April | 73,806 | 549 | 74,355 |
| May | 78,633 | 972 | 79,605 |
| June | 77,873 | 962 | 78,835 |
| July | 75,729 | 902 | 76,631 |
| August | 81,503 | 947 | 82,450 |
| September | 70,269 | 821 | 71,090 |
| October | 85,991 | 1,010 | 87,001 |
| November | 76,366 | 926 | 77,292 |
| <u>December</u> | <u>68,431</u> | <u>867</u> | <u>69,298</u> |
| YEAR-TOTAL | 928,657 | 10,656 | 939,313 |

| RIDERSHIP COMPARISON: 2006-2007 | | | | |
|--|-------------|-------------|-------------------------|------------------------------|
| MONTH | 2006 | 2007 | Change 2006-2007 | %age change 2006-2007 |
| January | 95,004 | 85,576 | (9,428) | (9.92) |
| February | 88,868 | 71,933 | (16,935) | (19.06) |
| March | 97,675 | 85,247 | (12,428) | (12.72) |
| April | 95,056 | 74,355 | (20,701) | (21.78) |
| May | 86,744 | 79,605 | (7,139) | (8.23) |
| June | 93,385 | 78,835 | (14,550) | (15.58) |
| July | 85,731 | 76,631 | (9,100) | (10.61) |
| August | 79,853 | 82,450 | 2,597 | 3.25 |
| September | 79,054 | 71,090 | (7,964) | (10.07) |
| October | 86,699 | 87,001 | 302 | 0.35 |
| November | 85,357 | 77,292 | (8,065) | (9.45) |
| December | 82,191 | 69,298 | (12,893) | (15.69) |
| Totals | 1,055,617 | 939,313 | (116,304) | (11.02) |

Note: Totals include fixed route and ADA services

Prepared 1/22/08 for the GPTC Board of Directors, by the Department of Planning and Marketing

Ridership Comparison: 2006-2007



Other Operating Data

The following table shows performance data for GPTC's fixed routes in CY 2007. The issues of substandard performance prior to the acquisition of new buses can easily be gleaned from this data.

| Month | Reported Revenue Miles | Reported Revenue Hours |
|----------------|-----------------------------------|-----------------------------------|
| January | 65,470 | 4,237 |
| February | 51,682 | 3,576 |
| March | 59,832 | 3,973 |
| April | 55,265 | 4,948 |
| May | 61,084 | 5,411 |
| June | 67,167 | 5,446 |
| July | 70,744 | 5,065 |
| August | 66,422 | 5,182 |
| September | 60,501 | 4,686 |
| October | 76,654 | 5,946 |
| November | 71,936 | 5,557 |
| December | 69,813 | 5,396 |
| Average | 64,714 | 4,952 |

Revenue mileage and revenue hours are affected by the amount of missed trips and delays due to insufficient rolling stock and rolling stock in need of maintenance. These numbers improved after the delivery of new buses. Assuming this higher level of service reliability is maintained, GPTC will be able to both offer more service consistently, and gain rider trust. Additional marketing and promotion will supplement this reliability.

GOALS AND STRATEGIES

The services provided by the Gary Public Transportation Corporation are designed to implement its corporate mission statement: To become an efficient transit system capable of meeting the employment, social and medical needs of the citizens of Gary, as well as Northwest Indiana, while stimulating economic development within the City of Gary.

Adherence to the GPTC mission statement would fulfill the first priority of all transit agencies: *to increase ridership*. To realize this mission statement GPTC will, in terms of transportation services:

- Continue to maintain virtually complete access to public transit in the northern tier (north of Interstate 94) of the City;
- Strive to achieve 100% on-time performance, and eliminate missed trips;
- Consider transportation to generators and neighborhoods within the City of Gary as its most important destinations
- Seek to facilitate sustainable, transit-supportive development within Gary, to maximize transit access and increase ridership;
- Investigate initiatives to return public transportation service to the Lake Ridge area (Black Oak, Calumet Township and Griffith);
- Maintain and expand regional transportation to provide access to jobs throughout Northwest Indiana; and
- Strive to maintain and, when feasible, reduce headways on its system, particularly along the Broadway corridor.

To realize this mission statement GPTC will, in terms of facilities development:

- Replace dated and obsolete bus shelters throughout its service area;
- Install new and replacement shelters that will assist in advancing its “brand”;
- Complete the University Park transfer station/streetscaping project;
- Work with developers to construct a transfer station at Century Plaza in suburban Merrillville;
- Seek opportunities for additional partnerships for passenger facilities;
- Make safety and security upgrades to the Adam Benjamin Metro Center
- Improve lighting at the Metro Center
- Replace signage both within the Metro Center and along the property’s perimeter; and
- Make much-needed upgrades to GPTC’s maintenance facility.

REVENUE SOURCES

The GPTC 2008-2013 plan's expense budget for operations is driven by its anticipated revenues. The expense budget is described in the following section. Anticipated revenues are identified there as well, and come from a myriad of revenue sources. Most significant sources are described below.

Local Revenue

As a Public Transit Corporation in the state of Indiana, GPTC has direct taxing authority, and its apportionment of property tax revenue is its second largest potential revenue source. GPTC is anticipating a significant decrease in property tax revenues as a result of HEA 1001 and is pursuing other local revenue sources in an attempt to make-up the lost revenue. Please see the detailed description of **Budget Scenarios** on page 23.

Indiana Public Mass Transportation Fund

The State of Indiana supports mass transit through the Public Mass Transportation Fund (PMTF). These funds are collected from a portion of the state's general sales and use tax. Though funds are available for both capital and operational support, GPTC does not receive capital support through the program. Funds are distributed based on performance measures that focus on ridership.

Farebox Assumptions: Base Services

The revenue forecast is assuming an increase in recent farebox receipts for the extension of GPTC's existing (baseline) services. In 2007, GPTC experienced a drop in farebox revenue. Analysis of performance compared to 2006 indicates that this was a result of a significant reduction in reliability, as evidenced by a reduction in revenue miles and revenue hours. In the fall of 2007, GPTC took possession of eight new buses, significantly improving reliability and resulting in an immediate increase in ridership and, thus, farebox revenue. The assumption of stability has been extended through the financial plan; a fare increase budgeted for CY 2009 will result in a net increase in revenue in 2009, followed by a modest 3% in 2010. Our forecast is for baseline farebox revenue to remain constant for the remainder of the life of the plan.

Cost Assumptions: Enhanced Services

Regional Route Enhancements: The Regional Bus Authority (RBA) will be providing \$1.5 million for enhancements to three GPTC routes, assuming the bulk of local expenses for the routes in question. The RBA receives these funds through Northwest Indiana's Regional Development Authority, which lists regional transportation among its high-priority goals. The RBA's funding is reflected in the revenue forecast and is assumed for the life of the financial plan with a re-authorization of funding from the RDA.

RBA COST ANALYSIS

| Weekday | Rte 17 | Rte 12 | Rte 20 | RBA Total | Weekly Total | Annual Total |
|------------------------|------------|----------|----------|------------|--------------|--------------|
| Runs/route | 64 | 30 | 32 | - | - | - |
| Operator hourly rate | \$15.37 | \$15.37 | \$15.37 | - | - | - |
| Operator Total | \$983.68 | \$461.10 | \$491.84 | - | \$9,683 | - |
| Dispatcher hourly rate | \$16.33 | - | - | - | - | - |
| Dispatcher total | \$130.64 | - | - | - | 653 | - |
| Supervisor hourly rate | \$17.14 | - | - | - | - | - |
| Supervisor total | \$137.12 | - | - | - | 686 | - |
| Scheduled overtime | \$230.60 | \$92.24 | \$28.83 | - | \$1,758 | - |
| Totals | \$1,482.04 | \$553.34 | \$520.67 | \$2,556.05 | \$12,780.23 | \$664,572 |

Benefits \$199,371.51

| Saturday | Rte 17 | Rte 12 | Rte 20 | RBA Total | Weekly Total | Annual Total |
|------------------------|--------|--------|--------|-----------|--------------|--------------|
| Runs/route | 28 | 16 | 24 | - | - | - |
| Operator hourly rate | \$15 | \$15 | \$15 | - | - | - |
| Operator Total | \$430 | \$246 | \$369 | - | \$1,045 | - |
| Dispatcher hourly rate | \$16 | - | - | - | - | - |
| Dispatcher total | \$131 | - | - | - | \$131 | - |
| Supervisor hourly rate | \$17 | - | - | - | - | - |
| Supervisor total | \$137 | - | - | - | \$137 | - |
| Scheduled overtime | \$69 | \$12 | \$13 | - | \$94 | \$4,890 |

Totals \$767 \$257 \$382 \$1,407 \$7,035 \$365,812

Benefits \$109,743

| Maintenance/Operational costs | Rte 17 | Rte 12 | Rte 20 | RBA Total | Weekly Total | Annual Total |
|---------------------------------|----------|----------|---------|-----------|--------------|--------------|
| Miles per week | 5,311 | 2,642 | 890 | - | 8,843 | 459,821 |
| Fuel Cost - Per mile | \$0.60 | \$0.60 | \$0.60 | - | - | - |
| Fuel Cost - Per week | \$3,186 | \$1,585 | \$534 | - | \$5,306 | \$275,893 |
| Depreciation - Per week | \$701 | \$349 | \$118 | - | \$1,167 | \$60,696 |
| Maintenance/PM [Annual] | \$65,467 | \$32,734 | \$2,245 | - | - | \$100,445 |
| Maint./Fueling/Cleaning [Daily] | \$70 | \$35 | \$18 | - | \$736 | \$38,286 |

Totals \$475,320

Other Maintenance Costs \$45,000

Total Operational Costs \$1,859,818

Administration \$185,982

Grand Total \$2,045,800

Note: Other Maintenance Costs represents non-reimbursable maintenance costs from FTA.

Note: Administration Costs represent 10% of total operational costs

Note: Fuel costs are subject to market dynamics

Note: Depreciation calculated at 0.132 cents per mile, which represents only the local share of the bus costs

Note: Benefits calculated at 30% of salaries & wages

Farebox Assumptions

An increase of 8% is forecast from these enhancements (see ridership projections), and is also reflected in the forecast apart from baseline farebox revenue.

Other Possible Service Enhancements: Because the final viability and type of expansion services have yet to be studied, GPTC has not included resulting ridership/farebox capture in our financial forecasts. As these services are brought closer to fruition, our revenue calculations will reflect anticipated changes.

Special Federally-Funded Revenue Sources

While several departments at GPTC are funded exclusively with the above local revenue sources, the Planning and Marketing and ADA complementary transit programs are funded through discretionary grants for specific purposes from the FTA's Section 5307 Program. These funds – which account for 80% of those departments' budgets – are matched by GPTC's local revenues.

Preventive Maintenance

Federally-funded maintenance expenses are also driven by the availability of local revenue. These funds are apportioned through a negotiated formula at the regional level, a function of NIRPC, as the Gary MSA's Metropolitan Planning Organization (MPO). The budget amounts reflected in this program are based on the availability of local funds to match the federal funds, and can change as larger amounts of local revenue availability are forecast.

PLANNING INITIATIVES AND PROSPECTIVE SERVICE CHANGES

The Goals and Strategies for GPTC primarily focus on existing transit service. During the next three years, however, several service changes will be studied. Some would constitute new (or returned) service to underserved areas, while others would be considered refinements to existing routes and services. Because these projects are in the study phases, programming details for service costs and funding details/sources are not available, but will be amended if initiatives are implemented fully.

Regional Service Improvements

The Northwest Indiana Regional Bus Authority (RBA) has submitted a proposal to GPTC recommending enhanced bus service to the existing routes that travel outside the city of Gary. Acceptance of this partnership by both bodies is anticipated, and this assumption is a part of operating and revenue forecasts by GPTC. The partnership is significant because it impacts a significant portion of GPTC's services.

This partnership will result in two additional buses being placed into service, resulting in a change from 17 to 19 revenue vehicles at peak service hours. One of these buses will be assigned to GPTC's Tri-City Connection (Route 12), and will result in a doubling of frequency for this line from once per 120 minutes to once per hour. The second will target the South Broadway Express (Route 17), increasing frequency by a third from 45 minutes to 30 minutes.

Surveys will be used to gauge potential demand for, and thus viability, of proposed all-new. Surveys, planned at this point to be performed with the assistance of college students, may also be used to gauge opinions on existing service as well.

Miller and Woodlake Village Service

The GPTC's Route 14 formerly served the Woodlake Village apartment community. As discussed above, that route was discontinued, and service to Woodlake Village was affixed in 2007 to GPTC's Route 13, which services the entire Miller Beach community. Transportation and Planning staff will be reviewing the effectiveness of this consolidation. On-time performance, ridership (to be analyzed spatially), cost and general mobility will be determining factors.

South Broadway Express

Route 17 - the South Broadway Express - will be reviewed to determine if the route should be restricted to boarding/alighting passengers at fewer stops, operating as a true express route. Currently, the South Broadway Express operates as a local route from the Metro Center to the Gary city limits at 53rd Avenue. Effects on on-time performance, ridership, and general mobility will be determining factors.

Downtown Circulator

Downtown Gary has experienced an upswing in development in recent years. Though it suffers a vacancy rate too high to be tolerated, the city's Central Business District has seen the completion of two significant residential developments, with a third – a rehabilitation of a large apartment building – underway currently. The GPTC is included as a stakeholder in other in the conceptual planning stages. Minor league sports venues have cemented their place as a permanent part of downtown activity, with basketball and baseball seasons in the works this spring and summer, respectively.



Because of these and other near-downtown development initiatives, GPTC will be investigating the viability of a limited-hour circulator connecting the Metro Center with businesses, government centers, residential developments and sports venues. Operating hours, revenue opportunities, fare structure and stops will be investigated to determine viability.

Lake Ridge Study Area

With the late-90s discontinuation of the Ridge Connection, a federally-funded demonstration express route, followed by the elimination of local service to Ridge Plaza via Route 10, the Black Oak neighborhood of Gary has been without transit service since 2004. The GPTC considers

creating service for this neighborhood of Gary to be a high priority. Service to other Lake Ridge communities – unincorporated Calumet Township, Griffith and Highland – will be considered but are secondary to Black Oak service. Options for service include, but are not limited to, express bus, local bus, deviated shuttles. This service will connect to other GPTC service but is not required (and, for cost reasons, may not be feasible) to service the Metro Center directly. The service may require federal demonstration funds.

Projected Ridership Levels

Though there are several corridor planning efforts planned in the next three years, GPTC's financial plan makes only two assumptions:

1. continuation of base (existing) services, and
2. upcoming enhancement of regional services with the Regional Bus Authority.

At a per-trip cost of \$0.90 based on historical performance a base 2008 ridership of about 83,000 per month is expected. Once launched in September 2008, the enhanced regional services are expected eventually to add 8,000 additional passengers to GPTC's total monthly ridership. In addition to the ridership on enhanced services, base ridership is expected to increase slightly in 2009 as marketing and reliability improvements affect boardings.

A fare increase is planned near the end of 2009, and base ridership in 2010 is anticipated to approach 71,500 per month. Ridership from enhanced services is expected to remain level. These trends will result in ridership increasing above 2008 levels for 2009. Conservative assumptions forecast a leveling off from 2010 to 2013.

The assumption of additional ridership for enhanced services is based upon the Regional Bus Authority's Service and Operations Plan, which shows a transit market in northern Lake County of 4-6 million riders (currently, GPTC and other providers carry approximately 2.83 million riders), and provides a list of measures to increase ridership based on this latent demand. Because the RBA document identifies twice the transit market as reflected in current ridership, GPTC's forecast is modest.

The RBA study recommended this latent market could be accessed by implementing the following measures:

1. Increase availability/connectivity of transit service, and access to jobs. The GPTC will obviously increase availability of transit, and improve connectivity by reducing transfer delay.
2. Set appropriate service standards for quality and efficiency. Standards and review methods will be more stringent. Though actual goals and standards have yet to be negotiated, GPTC anticipates them to be higher than current targets.
3. Adopt a strong customer focus. The GPTC will improve customer support through its own measures (ongoing operator training, pre-trip planning access through www.gptcbus.com, a more visible complaint/feedback system, new fareboxes and passenger information systems). Through the RBA, GPTC's system will be accessible as part of the RBA's Customer Call Center.
4. Address a challenging pedestrian environment. The GPTC has been improving the pedestrian environment within Gary as well as suburban locations within its service area. As part of the RBA partnership, GPTC will be able to implement such

improvements quickly along targeted routes. Both organizations will continue to advocate pedestrian improvements as requirements in all road projects in GPTC's service area.

5. Provide access to jobs that are decentralizing throughout the service area. The enhanced routes will target areas of high job growth.

Because the final viability and type of expansion services have yet to be studied, GPTC has not included any possible resulting ridership in our forecasts. As these services are brought closer to fruition, our ridership and revenue calculations will reflect anticipated changes.

REPAYMENT OF DEBT OWED TO FTA

Described below is the repayment methodology that has been approved by the FTA. The plan describes basis for the debt, credits and terms.

1) CY 2007

In late CY 2007, GPTC procured four (4) full size buses with local funding (as per an agreement with the FTA dated June 2005) and gave the FTA 80% interest in the four vehicles through their life cycle. The satisfying of this agreement would offset a significant portion of the debt incurred when the LNG buses and station were prematurely removed from service. In addition, nine (9) diesel buses were prematurely removed from service (all were within 30,000 -50,000 miles of their full life cycle) and made part of this agreement. GPTC met this commitment in January 2008.

2) CY 2008

The Gary Public Transportation Corporation has agreed to an FTA recommendation of repayment of remaining debt from current grants with unobligated funds. Final approval has been given for a set of open GPTC grants from which the FTA shall de-obligate funds to eliminate the remaining balance of the debt owed.

3) PAYMENT OF SERIES 2006 G.O. BOND DEBT

One area unaffected by HEA 1001 is GPTC's replenishment of its General Obligation Bond from 2006. The debt service for this fund is paid from an additional property tax levy that will not be affected by HEA 1001. This debt service is expected to be fully paid off by 2011.

BUDGET SCENARIOS

The following pages outline several sets of draft budget forecasts for the years 2008 thru 2013. Though all budget forecasts are subject to variables and externalities that affect its details, anticipated resources for GPTC – as well as many other public agencies in Indiana – are more fluid due to new property tax rules.

The Indiana General Assembly's passage of House Enrolled Act (HEA) 1001, a sweeping property tax reform bill, infuses uncertainty into GPTC's revenue plan. Because of this uncertainty, GPTC's 2008-2013 financial plan is a work in progress, subject to variables of implementation of HEA 1001, the potential infusion of new funding sources and the possibility of significant expenditure cuts. This Act has forced GPTC to devise strategies to offset the legislative reduction in property tax revenue of approximately \$1.2 million or 15% of GPTC's annual

revenues, including proposals to replace this revenue in order to provide a level of transportation service to meet the needs of Gary and the rest of its metropolitan area.

To address this uncertainty, GPTC staff has assembled several budget scenarios. These scenarios are predicated on different outcomes of GPTC's meetings with the State of Indiana's Distressed Unit Appeals Board (DUAB), which will determine the merits of GPTC's request to have property tax caps phased in over the course of several years. GPTC is planning on meeting with the DUAB in early 2009.

The budget forecasts included following this narrative are examples of various financial scenarios that GPTC has considered in the development of its final 2008-2013 financial plan. As described below, GPTC is pursuing the possible implementation of a new tax levy and other new funding sources to replace the revenue lost as a result of HEA 1001. It is unlikely that the results of these efforts will be known prior to the required submittal date of December 15, 2008 for GPTC's 2008-2013 financial plan and may not be certain until well into 2009. Therefore, if these new revenue sources do not materialize in a timely manner, GPTC will be forced to reduce service and scale down its operation to match available revenues. In keeping with the requirements of its Recovery Plan, GPTC will submit a final 2008-2013 financial plan, based on the best available information, by December 15, 2008. The narrative provided below describes the various new funding sources and expenditure reductions being investigated by GPTC.

Optional Revenue Opportunities

The Gary Public Transportation Corporation anticipates several adjustments, including additional revenue sources, in response to HEA 1001. These adjustments, along with anticipated timelines, are as follows:

1. **Distressed Unit Appeals Board (3-6 months):** HEA 1001 created the DUAB to provide some relief to units of government that will be adversely impacted by the Act's provisions. Several urban units of government assume some ability to "roll in" the changes to the tax structure. Requirements include the demonstration that a unit of government has streamlined its expenses, an action GPTC has performed during the creation of this Financial Plan. The DUAB is expected to begin hearing appeals in December 2008, but final decisions are not expected before the end of the first quarter of CY 2009. Because the DUAB is a creation of HEA 1001, there is absolutely no precedent to help dictate final decisions, or the timelines associated with them.
2. **Funding request to the Northwest Indiana Regional Development Authority (4-7 months):** The RDA was formed to promote and sustain economic development in the Gary region. After its creation several target areas of concern were identified, including sustaining and expanding transportation in the region. It has identified public transit as a specific transportation asset.

The RDA funding request process would require GPTC to identify a need for funding, the results of previous attempts to attain other funding, and break down both the

anticipated use of the funds and the duration for the need. The GPTC would not anticipate making such a request before spring of 2009, only after the results of a tax levy review and the DUAB appeal is known. The RDA commonly makes decisions on funding requests within two months of the request.

3. **Permanent local alternative funding (3-12 months):** The Regional Bus Authority (of which GPTC is a member) is cooperating with other regional organizations and working with county and state legislators to formulate a permanent funding source for regional public transportation. The other organizations in this effort include:

The Northern Indiana Commuter Transportation District (NICTD)

The Northwestern Indiana Regional Planning Commission (NIRPC)

The Northwest Indiana Forum

The Northwest Indiana Regional Development Authority (RDA)

The RBA and other regional groups are working with Northwest Indiana's representative to the Indiana Legislature to fashion a bill that would provide a source of permanent local funding to replace the property tax currently used, which was reduced by HEA 1001. The legislature's next session is early 2009.

4. **Additional tax levy (6-12 months):** HEA 1001 restricts GPTC's ability to levy additional taxes beyond current levels. The legislative action allows taxing districts to increase levies by an assessed value growth quotient annually (between 2-4%) but only if the county has a local option income tax in place. To date, Lake County has no local income tax; therefore, tax levies in GPTC's service area are frozen at 2007 levels and, outside of allowances by the DUAB, cannot be adjusted unless a local option tax is approved. Once a local option income tax is passed it could take several months before any budget revisions or actions are placed in front of the GPTC Board of Directors.

5. **Cumulative Fund (6-12 months):** GPTC is studying the feasibility of developing a cumulative fund or reserve fund for the agency that would allow more flexibility with both capital and operational needs. In addition, our current general obligation bond matures in 2012, which qualifies GPTC to apply for another general obligation bond as early as 2011. Either funding source would allow GPTC to procure additional capital infrastructure by providing match funding for federal grants. This local funding is anticipated to include a food/beverage/hospitality tax or an option income tax.

Optional Budget Revisions

Should the Optional Revenue Opportunities discussed above fail to replace all revenues lost due to HEA 1001, or if costs exceed budgeted amounts, GPTC will operate from the

most appropriate expense budget scenario. Probable expense changes include the following

1. Elimination of local weekday evening (post-8PM) service;
2. Elimination of local Saturday service;
3. Coordination with other entities for procurements to achieve cost savings.

Because regional services are being provided thru funding from the Northwest Indiana Regional Bus Authority, changes are not anticipated for those routes.

**Gary Public Transportation Corporation
Revenue and Expense Plan
2008 - 2013**

BEST CASE SCENARIO

Assumptions:

Fares increased in 2009
Full property tax receipts (no H.B. 1001)
Expanded bus routes (RBA service)

| | Best Case Scenario | | | | | |
|---------------------------------------|---------------------------|------------------|------------------|--------------------|--------------------|--------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES | | | | | | |
| Farebox (a) | \$808,700 | \$873,600 | \$895,440 | \$917,826 | \$940,772 | \$964,291 |
| RBA funding | 551,250 | 1,888,000 | 1,888,000 | 1,935,200 | 1,983,580 | 2,033,170 |
| PMTF revenues | 1,034,200 | 1,056,755 | 1,080,532 | 1,104,844 | 1,129,703 | 1,155,121 |
| Property tax receipts (b) | 2,372,000 | 2,443,160 | 2,516,455 | 2,591,948 | 2,669,707 | 2,749,798 |
| Other revenue | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Metro Center revenue | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Subtotal revenue | \$5,071,450 | \$6,566,815 | \$6,685,727 | \$6,855,118 | \$7,029,062 | \$7,207,680 |
| Federal Aid | | | | | | |
| Preventive maintenance - vehicles | \$1,417,000 | \$1,380,000 | \$1,417,000 | \$1,448,200 | \$1,448,200 | \$1,448,200 |
| Preventive maintenance - non-vehicles | 260,000 | 265,000 | 270,000 | 275,000 | 275,000 | 275,000 |
| ADA | 232,000 | 232,000 | 232,000 | 237,000 | 237,000 | 237,000 |
| Planning | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Federal aid (c) | 950,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal federal aid | \$2,939,000 | \$1,957,000 | \$1,999,000 | \$2,040,200 | \$2,040,200 | \$2,040,200 |
| Operating surplus (prior year) | 0 | 118,650 | 485,566 | 772,445 | 1,087,589 | 1,390,339 |
| Total revenue | \$8,010,450 | \$8,642,465 | \$9,170,293 | \$9,667,763 | \$10,156,851 | \$10,638,219 |
| EXPENSES | | | | | | |
| Salaries | \$3,027,100 | \$3,087,642 | \$3,189,534 | \$3,259,704 | \$3,331,417 | \$3,404,709 |
| Benefits | 1,943,800 | 1,982,676 | 2,048,104 | 2,093,163 | 2,139,212 | 2,186,275 |
| Material/supplies | 444,900 | 453,798 | 463,782 | 473,985 | 484,412 | 495,069 |
| Fuel | 808,700 | 921,109 | 941,374 | 962,084 | 983,250 | 1,004,881 |
| Outside services | 1,000,200 | 1,022,204 | 1,044,693 | 1,067,676 | 1,091,165 | 1,115,171 |
| Utilities | 194,600 | 209,000 | 221,749 | 226,628 | 231,614 | 236,709 |
| Insurance/other | 362,200 | 370,168 | 378,312 | 386,635 | 395,141 | 403,834 |
| Metro Center | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Total | \$7,891,800 | \$8,156,899 | \$8,397,848 | \$8,580,174 | \$8,766,511 | \$8,956,948 |
| Surplus/(deficit) | \$118,650 | \$485,566 | \$772,445 | \$1,087,589 | \$1,390,339 | \$1,681,271 |

(a) Fare revenue increase includes an assumed rate increase in 2009 and additional revenues from enhanced RBA service.

(b) Baseline property taxes are assumed to increase at 3.0% annually based on historical trends.

(c) Represents a one-time payment from the receipt of delayed FTA grant funds for the period April 2007 through February 2008 and is net of bond fund reimbursement.

| | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Farebox revenues | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Baseline revenues | 808,700 | 624,000 | 639,600 | 655,590 | 671,980 | 688,779 |
| Incremental revenues from fare increase | | 249,600 | 255,840 | 262,236 | 268,792 | 275,512 |
| | | -22.8% | 2.5% | 2.5% | 2.5% | 2.5% |
| | | | 2.5% | 2.5% | 2.5% | 2.5% |
| Total farebox revenues | 808,700 | 873,600 | 895,440 | 917,826 | 940,772 | 964,291 |
| | | 8.0% | 2.5% | 2.5% | 2.5% | 2.5% |
| Baseline economic assumptions | | | | | | |
| CPI-U national | 2.5% | 2.2% | 2.2% | 2.2% | 2.2% | 2.2% |
| Ultra-low sulfur | 3.32 | 3.78 | 3.86 | 3.95 | 3.95 | 3.95 |
| Number of gallons | 244,000 | 213,200 | 213,200 | 213,200 | 213,200 | 213,200 |
| Fuel costs | 810,080 | 805,896 | 822,952 | 842,140 | 842,140 | 842,140 |
| Major expense category growth rates | | | | | | |
| Salaries/labor/fringes | 2.5% | 2.0% | 3.3% | 2.2% | 2.2% | 2.2% |
| Parts/supplies | 6.7% | 2.0% | 2.2% | 2.2% | 2.2% | 2.2% |
| Utilities | 7.8% | 7.4% | 6.1% | 2.2% | 2.2% | 2.2% |
| Fuel | 41.9% | 13.9% | 2.2% | 2.2% | 2.2% | 2.2% |
| Insurance | 2.2% | 2.2% | 2.2% | 2.2% | 2.2% | 2.2% |
| Other | | | | | | |

Gary Public Transportation Corporation
Revenue and Expense Plan
2008 - 2013

H.B. 1001 PHASED IMPLEMENTATION

Assumptions:

Fares increased in 2009
Phased reduction of property tax receipts
Expanded bus routes (RBA service)
Supplemental tax levy effective 2010

| | H.B. 1001 PHASED IMPLEMENTATION | | | | | |
|---|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES | | | | | | |
| Farebox (a) | \$808,700 | \$873,600 | \$895,440 | \$917,826 | \$940,772 | \$964,291 |
| RBA funding | 551,250 | 1,888,000 | 1,888,000 | 1,935,200 | 1,983,580 | 2,033,170 |
| PMTF revenues | 1,034,200 | 1,056,755 | 1,080,532 | 1,104,844 | 1,129,703 | 1,155,121 |
| Property tax receipts (b) | 2,372,000 | 1,972,000 | 1,572,000 | 1,172,000 | 1,172,000 | 1,172,000 |
| Other revenue | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Metro Center revenue | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Supplemental tax levy (c) | 0 | 0 | 643,170 | 1,104,804 | 1,194,957 | 1,286,866 |
| Subtotal revenue | \$5,071,450 | \$6,095,655 | \$6,384,442 | \$6,539,974 | \$6,726,311 | \$6,916,748 |
| Federal Aid | | | | | | |
| Preventive maintenance - vehicles | \$1,417,000 | \$1,380,000 | \$1,417,000 | \$1,448,200 | \$1,448,200 | \$1,448,200 |
| Preventive maintenance - non-vehicles | 260,000 | 265,000 | 270,000 | 275,000 | 275,000 | 275,000 |
| ADA | 232,000 | 232,000 | 232,000 | 237,000 | 237,000 | 237,000 |
| Planning | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Federal aid (d) | 950,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal federal aid | \$2,939,000 | \$1,957,000 | \$1,999,000 | \$2,040,200 | \$2,040,200 | \$2,040,200 |
| Operating surplus/(deficit) (prior year) | 0 | 118,650 | 14,406 | 0 | 0 | 0 |
| Total revenue | \$8,010,450 | \$8,171,305 | \$8,397,848 | \$8,580,174 | \$8,766,511 | \$8,956,948 |
| EXPENSES | | | | | | |
| Salaries | \$3,027,100 | \$3,087,642 | \$3,189,534 | \$3,259,704 | \$3,331,417 | \$3,404,709 |
| Benefits | 1,943,800 | 1,982,676 | 2,048,104 | 2,093,163 | 2,139,212 | 2,186,275 |
| Material/supplies | 444,900 | 453,798 | 463,782 | 473,985 | 484,412 | 495,069 |
| Fuel | 808,700 | 921,109 | 941,374 | 962,084 | 983,250 | 1,004,881 |
| Outside services | 1,000,200 | 1,022,204 | 1,044,693 | 1,067,676 | 1,091,165 | 1,115,171 |
| Utilities | 194,600 | 209,000 | 221,749 | 226,628 | 231,614 | 236,709 |
| Insurance/other | 362,200 | 370,168 | 378,312 | 386,635 | 395,141 | 403,834 |
| Metro Center | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Total | \$7,891,800 | \$8,156,899 | \$8,397,848 | \$8,580,174 | \$8,766,511 | \$8,956,948 |
| Surplus/(deficit) | \$118,650 | \$14,406 | \$0 | \$0 | \$0 | \$0 |

(a) Fare revenue increase includes an assumed rate increase in 2009 and additional revenues from enhanced RBA service.

(b) Property tax receipts are reduced according to H.B. 1001 and phased in over a three-year period 2009-2011.

(c) Supplemental tax levy receipts assumed in 2010 that are approximately equal to the estimated operating deficit without the supplemental tax revenues.

(d) Represents a one-time payment from the receipt of delayed FTA grant funds for the period April 2007 through February 2008 and is net of bond fund reimbursement.

**Gary Public Transportation Corporation
Revenue and Expense Plan
2008 - 2013**

H.B. 1001 IMMEDIATE IMPLEMENTATION

Assumptions:

Fares increased in 2009
Full reduction of property tax receipts in 2009
Expanded bus routes (RBA service)
Supplemental tax levy effective 2010

| | H.B. 1001 IMMEDIATE IMPLEMENTATION | | | | | |
|---------------------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES | | | | | | |
| Farebox (a) | \$808,700 | \$873,600 | \$895,440 | \$917,826 | \$940,772 | \$964,291 |
| RBA funding | 551,250 | 1,888,000 | 1,888,000 | 1,935,200 | 1,983,580 | 2,033,170 |
| PMTF revenues | 1,034,200 | 1,056,755 | 1,080,532 | 1,104,844 | 1,129,703 | 1,155,121 |
| Property tax receipts (b) | 2,372,000 | 1,172,000 | 1,172,000 | 1,172,000 | 1,172,000 | 1,172,000 |
| Other revenue | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Metro Center revenue | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Supplemental tax levy (c) | 0 | 0 | 1,648,582 | 1,004,288 | 1,092,229 | 1,181,879 |
| Subtotal revenue | \$5,071,450 | \$5,295,655 | \$6,989,854 | \$6,439,458 | \$6,623,584 | \$6,811,761 |
| Federal Aid | | | | | | |
| Preventive maintenance - vehicles | \$1,417,000 | \$1,380,000 | \$1,417,000 | \$1,448,200 | \$1,448,200 | \$1,448,200 |
| Preventive maintenance - non-vehicles | 260,000 | 265,000 | 270,000 | 275,000 | 275,000 | 275,000 |
| ADA | 232,000 | 232,000 | 232,000 | 237,000 | 237,000 | 237,000 |
| Planning | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Federal aid (d) | 950,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal federal aid | \$2,939,000 | \$1,957,000 | \$1,999,000 | \$2,040,200 | \$2,040,200 | \$2,040,200 |
| Operating surplus (prior year) | 0 | 118,650 | -689,358 | 0 | 0 | 0 |
| Total revenue | \$8,010,450 | \$7,371,305 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| EXPENSES | | | | | | |
| Salaries | \$3,027,100 | \$3,087,642 | \$3,189,534 | \$3,259,704 | \$3,331,417 | \$3,404,709 |
| Benefits | 1,943,800 | 1,982,676 | 2,048,104 | 2,093,163 | 2,139,212 | 2,186,275 |
| Material/supplies | 1,253,600 | 1,278,672 | 1,306,803 | 1,335,552 | 1,364,935 | 1,394,963 |
| Fuel | 0 | 0 | 0 | 0 | 0 | 0 |
| Outside services | 1,000,200 | 1,022,204 | 1,044,693 | 1,067,676 | 1,091,165 | 1,115,171 |
| Utilities | 194,600 | 209,000 | 221,749 | 226,628 | 231,614 | 236,709 |
| Insurance/other | 362,200 | 370,168 | 378,312 | 386,635 | 395,141 | 403,834 |
| Metro Center | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Total | \$7,891,800 | \$8,060,663 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| Surplus/(deficit) | \$118,650 | -\$689,358 | \$0 | \$0 | \$0 | \$0 |

(a) Fare revenue increase includes an assumed rate increase in 2009 and additional revenues from enhanced RBA service.

(b) Property tax receipts are reduced according to H.B. 1001 and the full reduction occurs in 2009.

(c) Supplemental tax levy receipts assumed in 2010 that are approximately equal to the estimated operating deficit without the supplemental tax revenues.

(d) Represents a one-time payment from the receipt of delayed FTA grant funds for the period April 2007 through February 2008 and is net of bond fund reimbursement.

**Gary Public Transportation Corporation
Revenue and Expense Plan
2008 - 2013**

SERVICE CUTS/IMMEDIATE H.B. 1001

Assumptions:

Weeknight and Saturday service reductions in 2009
Fare revenues fall from service reductions
Fares increased in 2009
Full reduction of property tax receipts in 2009
Expanded bus routes (RBA service)

| | SERVICE CUTS/IMMEDIATE H.B. 1001 | | | | | |
|---------------------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES | | | | | | |
| Farebox (a) | \$808,700 | \$693,600 | \$895,440 | \$917,826 | \$940,772 | \$964,291 |
| RBA funding | 551,250 | 1,888,000 | 1,888,000 | 1,935,200 | 1,983,580 | 2,033,170 |
| PMTF revenues | 1,034,200 | 1,056,755 | 1,080,532 | 1,104,844 | 1,129,703 | 1,155,121 |
| Property tax receipts (b) | 2,372,000 | 1,172,000 | 1,172,000 | 1,172,000 | 1,172,000 | 1,172,000 |
| Other revenue | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Metro Center revenue | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Supplemental tax levy (c) | 0 | 0 | 959,224 | 1,004,288 | 1,092,229 | 1,181,879 |
| Subtotal revenue | \$5,071,450 | \$5,115,655 | \$6,300,496 | \$6,439,458 | \$6,623,584 | \$6,811,761 |
| Federal Aid | | | | | | |
| Preventive maintenance - vehicles | \$1,417,000 | \$1,380,000 | \$1,417,000 | \$1,448,200 | \$1,448,200 | \$1,448,200 |
| Preventive maintenance - non-vehicles | 260,000 | 265,000 | 270,000 | 275,000 | 275,000 | 275,000 |
| ADA | 232,000 | 232,000 | 232,000 | 237,000 | 237,000 | 237,000 |
| Planning | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Federal aid (d) | 950,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal federal aid | \$2,939,000 | \$1,957,000 | \$1,999,000 | \$2,040,200 | \$2,040,200 | \$2,040,200 |
| Operating surplus (prior year) | 0 | 118,650 | 0 | 0 | 0 | 0 |
| Total revenue | \$8,010,450 | \$7,191,305 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| OPERATING EXPENSES | | | | | | |
| Salaries | \$3,027,100 | \$3,087,642 | \$3,189,534 | \$3,259,704 | \$3,331,417 | \$3,404,709 |
| Benefits | 1,943,800 | 1,982,676 | 2,048,104 | 2,093,163 | 2,139,212 | 2,186,275 |
| Material/supplies | 1,253,600 | 1,278,672 | 1,306,803 | 1,335,552 | 1,364,935 | 1,394,963 |
| Fuel | 0 | 0 | 0 | 0 | 0 | 0 |
| Outside services | 1,000,200 | 1,022,204 | 1,044,693 | 1,067,676 | 1,091,165 | 1,115,171 |
| Utilities | 194,600 | 209,000 | 221,749 | 226,628 | 231,614 | 236,709 |
| Insurance/other | 362,200 | 370,168 | 378,312 | 386,635 | 395,141 | 403,834 |
| Metro Center | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Subtotal operating expenses | \$7,891,800 | \$8,060,663 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| EXPENSE REDUCTIONS (e) | | | | | | |
| Reduced weekday/night bus service | \$0 | \$449,223 | \$0 | \$0 | \$0 | \$0 |
| Reduced Saturday bus service | 0 | 420,135 | 0 | 0 | 0 | 0 |
| Total expense reductions | \$0 | \$869,358 | \$0 | \$0 | \$0 | \$0 |
| Total operating expenses | \$7,891,800 | \$7,191,305 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| Surplus/(deficit) | \$118,650 | \$0 | \$0 | \$0 | \$0 | \$0 |

(a) Fare revenue increase includes an assumed rate increase in 2009 and additional revenues from enhanced RBA service. Fare revenues decrease in 2009 from an assumed one year reduction in bus service.

(b) Property tax receipts are reduced according to H.B. 1001 and the full reduction occurs in 2009.

(c) Supplemental tax levy receipts assumed in 2010 that are approximately equal to the estimated operating deficit without the supplemental tax revenues.

(d) Represents a one-time payment from the receipt of delayed FTA grant funds for the period April 2007 through February 2008 and is net of bond fund reimbursement.

(e) Estimated operating expense reductions from reduced bus service.

Gary Public Transportation Corporation
Revenue and Expense Plan
2008 - 2013

SERVICE CUTS/PHASED H.B. 1001

Assumptions:

Weeknight and Saturday service reductions in 2009
Fare revenues fall from service reductions
Fares increased in 2009
Phased reduction of property tax receipts 2009-2011
Expanded bus routes (RBA service)

| | SERVICE CUTS/PHASED H.B. 1001 | | | | | |
|---------------------------------------|-------------------------------|-------------|-------------|-------------|-------------|-------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| REVENUES | | | | | | |
| Farebox (a) | \$808,700 | \$753,600 | \$775,440 | \$797,826 | \$820,772 | \$844,291 |
| RBA funding | 551,250 | 1,888,000 | 1,888,000 | 1,935,200 | 1,983,580 | 2,033,170 |
| PMTF revenues | 1,034,200 | 1,056,755 | 1,080,532 | 1,104,844 | 1,129,703 | 1,155,121 |
| Property tax receipts (b) | 2,372,000 | 1,972,000 | 1,572,000 | 1,172,000 | 1,172,000 | 1,172,000 |
| Other revenue | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Metro Center revenue | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Supplemental tax levy (c) | 0 | 0 | 678,582 | 1,124,288 | 1,212,229 | 1,301,879 |
| Subtotal revenue | \$5,071,450 | \$5,975,655 | \$6,299,854 | \$6,439,458 | \$6,623,584 | \$6,811,761 |
| Federal Aid | | | | | | |
| Preventive maintenance - vehicles | \$1,417,000 | \$1,380,000 | \$1,417,000 | \$1,448,200 | \$1,448,200 | \$1,448,200 |
| Preventive maintenance - non-vehicles | 260,000 | 265,000 | 270,000 | 275,000 | 275,000 | 275,000 |
| ADA | 232,000 | 232,000 | 232,000 | 237,000 | 237,000 | 237,000 |
| Planning | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Federal aid (d) | 950,000 | 0 | 0 | 0 | 0 | 0 |
| Subtotal federal aid | \$2,939,000 | \$1,957,000 | \$1,999,000 | \$2,040,200 | \$2,040,200 | \$2,040,200 |
| Operating surplus (prior year) | 0 | 118,650 | 642 | 0 | 0 | 0 |
| Total revenue | \$8,010,450 | \$8,051,305 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| OPERATING EXPENSES | | | | | | |
| Salaries | \$3,027,100 | \$3,087,642 | \$3,189,534 | \$3,259,704 | \$3,331,417 | \$3,404,709 |
| Benefits | 1,943,800 | 1,982,676 | 2,048,104 | 2,093,163 | 2,139,212 | 2,186,275 |
| Material/supplies | 1,253,600 | 1,278,672 | 1,306,803 | 1,335,552 | 1,364,935 | 1,394,963 |
| Fuel | 0 | 0 | 0 | 0 | 0 | 0 |
| Outside services | 1,000,200 | 1,022,204 | 1,044,693 | 1,067,676 | 1,091,165 | 1,115,171 |
| Utilities | 194,600 | 209,000 | 221,749 | 226,628 | 231,614 | 236,709 |
| Insurance/other | 362,200 | 370,168 | 378,312 | 386,635 | 395,141 | 403,834 |
| Metro Center | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 | 110,300 |
| Subtotal operating expenses | \$7,891,800 | \$8,060,663 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| EXPENSE REDUCTIONS (e) | | | | | | |
| Reduced weeknight bus service | \$0 | \$10,000 | \$0 | \$0 | \$0 | \$0 |
| Reduced Saturday bus service | 0 | 0 | 0 | 0 | 0 | 0 |
| Total expense reductions | \$0 | \$10,000 | \$0 | \$0 | \$0 | \$0 |
| Total operating expenses | \$7,891,800 | \$8,050,663 | \$8,299,496 | \$8,479,658 | \$8,663,784 | \$8,851,961 |
| Surplus/(deficit) | \$118,650 | \$642 | \$0 | \$0 | \$0 | \$0 |

(a) Fare revenue increase includes an assumed rate increase in 2009 and additional revenues from enhanced RBA service. Fare revenues decrease in 2009 from an assumed one year reduction in bus service.

(b) Property tax receipts are reduced according to H.B. 1001 and the full reduction occurs in 2009.

(c) Supplemental tax levy receipts assumed in 2010 that are approximately equal to the estimated operating deficit without the supplemental tax revenues.

(d) Represents a one-time payment from the receipt of delayed FTA grant funds for the period April 2007 through February 2008 and is net of bond fund reimbursement.

(e) Estimated operating expense reductions from reduced bus service.

OPERATIONAL OVERVIEW

MAINTENANCE DEPARTMENT

John Dutton
Maintenance Director

Maintenance Secretary

| | | | |
|---|--|------------------------------------|--------------|
| | | | |
| Day & Evening Foremen 2 | Specialists 3 Mechanics 3 Mechanics Helper 3 | Utility Person 3 Bus Cleaners 1 | Janitor 1 |
| | | | |
| | Work Days 7 Days a Week | Works Hours 3:30a.m.-12:30a.m. | |
| | | | |
| Vehicle Count Buses - 23 Vans - 5 | | | |

PREVENTIVE MAINTENANCE COST PROJECTIONS

| Bus Series | PM | Est. Yearly Mileage | PM labor | Parts and Oil Cost | Frequen cy | PM Yearly Cost |
|-------------------|-----------|----------------------------|-----------------|---------------------------|-------------------|-----------------------|
| Optima | 6,000 mi | 140,704 | \$63.04 | \$80.00 | 23.44 | \$3,352.85 |
| | 24,000 mi | 140,704 | \$15.76 | \$123.55 | 5.86 | \$816.36 |
| | W/C 6,000 | 140,704 | \$31.52 | N/A | 23.44 | \$738.82 |
| | | | | | | |
| RTS | 6,000 mi | 347,488 | \$63.04 | \$54.59 | 62.96 | \$7,405.98 |
| | 24,000 mi | 347,488 | \$15.76 | \$49.82 | 15.74 | \$1,032.23 |
| | W/C 6,000 | 347,488 | \$31.52 | N/A | 62.96 | \$1,984.50 |
| | | | | | | |
| Gillig | 6,000 mi | 418,124 | \$55.16 | \$222.98 | 68.43 | \$19,033.12 |
| | 24,000 mi | 418,124 | \$15.76 | \$49.82 | 17.09 | \$1,120.76 |
| | W/C 6,000 | 418,124 | \$31.52 | N/A | 68.43 | \$2,156.91 |
| | | | | | | |
| Ford Vans | 7,500 mi | 107,683 | \$31.52 | \$47.11 | 17.94 | \$1,410.62 |
| | | | | | | |
| ADA | 30,000 mi | 107,683 | \$63.04 | \$11.97 | 3.58 | \$268.53 |
| | 7,500 mi | 107,683 | \$31.52 | N/A | 17.94 | \$565.46 |
| | | | | | | |
| Non-Rev | 5,000 mi | 89,028 | \$31.52 | \$15.85 | 17.8 | \$843.18 |
| | 30,000 mi | 89,028 | \$63.04 | \$25.61 | 2.96 | \$262.40 |
| | | | | | | |
| Total | | 1,103,027 | | | | \$40,991.72 |

TRANSPORTATION DEPARTMENT

| | | | | | | | | | | | | | | |
|--|----------------|--------------------|---------------------|---|----|----|-----|--|----------------|--------------------|---|----|----|-----|
| Total Number of Operators | | | | Full Time Operators | | | | Part Time Operators | | | Director of Transportation | | | |
| 53 | | | | 51 | | | | 2 | | | 1 | | | |
| | | | | | | | | | | | | | | |
| Total Number of Fulltime Runs Weekday | Fixed Route | ADA Paratransit | Relief Operators | Total Number of Trippers Weekday | AM | PM | ADA | Total Number of Runs Saturday | Fixed Route | ADA Paratransit | Total Number of Trippers Saturday | AM | PM | ADA |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| 37 | 33 | 4 | 6 | 5 | 2 | 2 | 1 | 30 | 28 | 2 | 6 | 0 | 5 | 2 |
| | | | | | | | | | | | | | | |
| Total Number of Weekday Runs | | | | Total Number of Weekday Runs @ 8:40 Pay | | | | Total Number of Weekday Runs @ 8:40 plus 20 minute Travel Overtime Pay | | | Total Number of Weekday Runs @ 8:40 plus 20 minute Travel and Additional Overtime Pay | | | |
| 37 | | | | 11 | | | | 8 | | | 18 | | | |
| | | | | | | | | | | | | | | |
| Total Number of Saturday Runs | | | | Total Number of Saturday Runs @ 8:40 Pay | | | | Total Number of Saturday Runs @ 8:40 plus 20 minute Travel Overtime Pay | | | Total Number of Saturday Runs @ 8:40 plus 20 minute Travel and Additional Overtime Pay | | | |
| 30 | | | | 11 | | | | 10 | | | 9 | | | |
| | | | | | | | | | | | | | | |
| Total Number of Supervisors | | | | Total Number of Dispatchers | | | | Total Number of Administrative Staff | | | | | | |
| 3 | | | | 5 | | | | 2 | | | | | | |

CAPITAL IMPROVEMENT PLAN

The GPTC has examined its capital needs, including projects not currently programmed, to create a list of projects for which federal funds have or will be requested. Most of these capital projects can be categorized as rolling stock acquisitions, rolling stock improvements, and facility improvements. Unless otherwise noted, projects identified in the capital plan will be matched by current or future bonding. These existing and future sources will be separate from other local sources and, as separate, are not reflected in the operating budget for GPTC.

The GPTC replaces its fleet and purchases other major equipment primarily through the Federal Transit Administration's Section 5307 program. In Northwestern Indiana, this program is administered by the Northwestern Indiana Regional Planning Commission, and GPTC competes with other fixed route and demand response services in the Gary portion of the Gary/Chicago/Kenosha (WI) Consolidated Metropolitan Statistical Area (CMSA).

Funding through the Federal Highway Administration's Surface Transportation Program (STP) is also available. The Gary metropolitan area, as a Group I area with a population of over 250,000, receives a portion of state STP funds dedicated to the region. Historically, GPTC has received funding for vehicle replacements (as well as demonstration routes and other capital projects) through the STP's Congestion Mitigation/Air Quality (CMAQ) program, which is an additional funding source for projects proven to reduce air pollution and/or traffic congestion. This funding source is available to metropolitan areas that do not meet, or have only recently met, the United States Environmental Protection Agency's National Ambient Air Quality Standard (NAAQS).

As with FTA Section 5307, FHWA STP-I and CMAQ funds are allocated on a project-specific basis via a competitive process. Though GPTC and other transit projects are eligible for non-CMAQ STP funds, there has been no attempt by GPTC at this point to access these funds; GPTC's capital needs have been sufficiently met through the 5307 and CMAQ programs. This does not, however, rule out a future application for "traditional" highway funds.

Federal grants fund 80% of the cost of capital projects. The remaining 20% has traditionally been matched by GPTC's bond fund, created for this purpose. In the future – including grant cycles during the three year horizon for this plan – GPTC may identify and request funds for regionally significant projects through Northwest Indiana's Regional Development Authority (RDA) and Regional Bus Authority (RBA) which has received RDA funds specifically to match significant federal transit projects. These latter local sources will be approached if, after study of potential service expansions for Lake Ridge, the downtown shuttle or increased service on Broadway, a fleet expansion becomes necessary. This program will be amended to reflect such a change.

Rolling Stock

The Gary Public Transportation Corporation maintains a fleet of 23 vehicles for fixed route service, and four vans for paratransit service. Capital acquisitions are planned to improve this current rolling stock, including mobile communications equipment and farebox upgrades, as

well as replacing older vehicles with new rolling stock purchases. The four paratransit vans are recent acquisitions, delivered just prior to the publication of this financial plan. Likewise, eight new passenger buses were delivered in the fall, greatly improving performance on GPTC's fixed routes. The GPTC currently has programmed several new vehicles in NIRPC's Transportation Improvement Program, to be phased in over the life of the plan. The following table identifies the vehicles to be replaced.

Fixed Route Bus Replacement Plan 2008 - 2011

| | | | | Vehicles and Spare Ratio | |
|-----------------------------------|-----------------------|--------|----------|--------------------------|-----------|
| Vehicle Parameter | | | | Current | |
| Active Fleet | | | | | |
| Peak Need | | 19 | | | |
| Spare | | 4 | | | |
| Total Bus Fleet | | 23 | | | |
| Spare Ratio | | 29.40% | | | |
| Inactive Fleet | | | | | |
| Buses to be Disposed | | 24 | | | |
| Total Buses | | 47 | | | |
| | | | | | |
| Totals Active and Inactive | | | | 47 | 23 |
| Bus to be Replaced | | | | | |
| Old Bus # | Replace Bus (Type/No) | YEAR | FTA Fund | | |
| 9505 | Diesel 9001 | 2009 | CMAQ | | X |
| 9601 | Diesel 9002 | 2009 | CMAQ | | X |
| 9603 | Diesel 9003 | 2009 | CMAQ | | X |
| 9605 | Diesel 9004 | 2009 | 5307 | | X |
| 9606 | Diesel 9005 | 2009 | 5307 | | X |
| 9607 | Diesel 9006 | 2009 | 5307 | | X |
| 9704 | Diesel 1101 | 2011 | 5307 | | X |
| 9705 | Diesel 1102 | 2011 | 5307 | | X |
| 9706 | Diesel 1103 | 2011 | 5307 | | X |
| 9707 | Diesel 1104 | 2011 | 5307 | | X |
| Totals | | | | 8 | |
| 9303 | 2010 | | | D | |
| 9304 | 2005 | | | D | |
| 9501 | 2003 | | | D | |
| Totals | | | | 5 | |

(X) Denotes replacement bus.

(D) Denotes bus retirement w/ no replacement.

The 24 buses listed under inactive fleet to be disposed:

(16 diesel)-9101, 9102, 9103, 9104, 9105, 9106, 9107, 9108, 9201, 9202, 2104, 2103

2102, 2101, 9502, 9503

(8 LNG)-9301, 9302, 9506, 9507, 9508, 9701, 9702, 9703

Adam Benjamin Intermodal Metro Center

The Metro Center is the City of Gary-owned facility housing GPTC's administrative offices. The Metro Center also serves as an intermodal terminal and the hub of GPTC's fixed route system. It has surpassed twenty years of age recently, and is slated for several improvements through GPTC's capital improvement program.

Most improvements identified will be safety and security upgrades, as well as cosmetic improvements. Safety and security improvements include new doors, lighting and barriers. The lighting improvements will be for the entire property, including the building and commuter/employee parking. The barrier improvements will greatly reduce chances of pedestrian/vehicle incidents near the main boarding area of the Metro Center. Cosmetic improvements include new



signage, landscaping and roof work, and a rehabilitation of the parking garage connected to the Metro Center via skywalk. These projects are detailed, with costs, in the capital plan listing. The federal funds pegged for Metro Center improvements will be matched from a combination of GPTC Bond Funds, and funds identified by the City of Gary for improvements to the structure.

The City of Gary is considering Transit-Oriented Development (TOD) opportunities in the vicinity of the Metro Center. The Gary Public Transportation Corporation is a fully participating partner with the City in development issues, sitting on a Planning and Development Council that meets bi-weekly. The transit access and availability of commuter rail to Chicago are potential engines driving Metro Center development opportunities. If substantial improvements to the Metro Center are proposed, potential sources will more than likely be local or private financing.

Operations Facility

The Operations and Maintenance Facility for GPTC, located at 2101 W. 35th Avenue in Gary's Black Oak section, was built in the early 1980s and has been the focus of several capital grants currently in the NIRPC Transportation Improvement Program. These projects are upgrades to both operations and maintenance portions of the complex, and include new dispatching equipment, diagnostic equipment, and other assorted equipment upgrades to the maintenance shop. There will also be cosmetic improvements, including new landscaping and/or signage, and a repaving of the outdoor pad just north of the bus garage. Details are provided in the capital plan list.

Other Passenger Facilities

University Park – The Gary Public Transportation Corporation is the grantee for an interagency,



multimodal improvement project near the campuses of Indiana University Northwest and Ivy Tech Community College. This project, funded under a \$1,212,350 Congestion Mitigation/Air Quality (CMAQ) grant, helps implement the University Park Concept Plan. It will provide new passenger facilities along 35th Avenue near both campuses – including a significant transfer station on the southwest corner of 35th & Broadway, convert the sidewalk to a bike and

pedestrian-accessible, landscaped “Academic Walk” connecting the campuses and the adjoining neighborhoods, and new traffic signals along 35th Avenue to improve the flow of automobile traffic and allow for the later introduction of signal pre-emption technology on transit and emergency vehicles.



Century Plaza – In 2007, Tri-Land Properties and GPTC began discussions on the siting of a transfer station at this shopping center. The location is one of the most important stops on the South Broadway Express, on its own and as a transfer point between the express route and the US-30 Circulator, which provides local service in the vicinity. The transfer center – to be larger and climate controlled, unlike conventional shelters - will use federal funds previously acquired for new and replacement passenger shelters. The project will be completed in 2008, with a budget of approximately \$30,000.

Other Facilities – Since 2005, GPTC has been working to replace all bus shelters on its system, and to provide for new shelters due to changes in the route network since the most recent shelter program was implemented in the early 1990s. This new endeavor is set to be completed by the end of 2008, using Section 5307 funds totaling \$250,000.

This project will also provide an opportunity for the use of variable message signs, public-private partnerships and a concentration at primary transfer centers. These locations will include, but not be limited to, Midtown and southern downtown.

Capital Improvement Program

The following table summarizes the capital projects described above. The projects, which include the replacement of eight revenue vehicles, total \$9,062,948 and are ordered by program year. The “Program Status” column identifies which projects are already in the Transportation Improvement Program, and identifies the grant number where applicable. The GPTC is assembling a new grant application for projects programmed in the 2008-2011 Transportation Improvement Program (TIP). Projects for program years beyond 2009 will be placed in future grants.

There are three general types of sources for local match funding, including GPTC’s Bond Fund, regional transportation and development organizations, and funds from municipal or private sources.

The remaining funds in GPTC’s current **General Obligation Bond** will be used to support federally-funded projects that will upgrade existing equipment and facilities.

Regional organizations - specifically the Northwestern Indiana Regional Bus Authority (RBA) and the Northwestern Indiana Regional Development Authority (RDA) - have provided matching funds for GPTC capital projects, traditionally within the fiscal year for which the funds are programmed. Eligible projects are restricted to those that could impact regional transportation, particularly regional passenger facilities/transfer centers, and vehicle replacements.

The “**Other**” category of local match funding includes municipal and non-traditional resources:

1. Community Development Corporation partnership: This is an additional match for the University Park Transit Center, which already has dedicated local funds from the Regional Bus Authority.
2. Community Development Block Grant (CDBG) program: This program has an annual call for projects at the beginning of the calendar year. For the shelter replacement projects, CDBG funding will be used to encourage private sponsorship for passenger facilities in key neighborhoods and locations.

Match funding has been secured for all projects being matched from GPTC’s Bond Fund and for all projects with a 2008 implementation year. The RDA, RBA and the City of Gary (for CDBG funds) require funding requests for projects to be made during the calendar year in which the project will be implemented. As such, these out-year (2009-2013) funding sources are projections.

GPTC 2008-2013 CAPITAL PROGRAM

| Project Title | Location/Additional Information | Total Funds | Federal Funds | Federal Fund Source | RBA/RDA | Bond Fund/ Other (see notes) | Program Year | Implementation Year | Program Status |
|--|-----------------------------------|-------------|---------------|---------------------|-------------|------------------------------|--------------|---------------------|-----------------|
| Acquire Mobile Fare Collection Equipment | Systemwide | \$287,500 | \$230,000 | FTA Sec 5307 | \$57,500 | | 2007 | 2009 | TIP/511 |
| Acquire Mobile Surveillance/Security Equipment | Systemwide | \$155,743 | \$124,594 | FTA Sec 5307 | \$31,149 | | 2007 | 2009 | TIP/481, 511 |
| University Park Transit Center | 35th Avenue | \$715,438 | \$572,350 | CMAQ | \$50,000 | \$93,088 | 2007 | 2008 | TIP/443 |
| Two revenue vehicles, spare parts | Systemwide | \$800,000 | \$640,000 | CMAQ | \$160,000 | | 2007 | 2008 | TIP/443 |
| Acquire Mobile Surveillance/Security Equipment | Systemwide | \$52,444 | \$41,955 | FTA Sec 5307 | \$10,489 | | 2008 | 2009 | TIP/548 |
| Purchase Bus Maintenance Equipment (steam cleaner, brake lathe, tire changer, and more) | Operations Facility | \$103,750 | \$83,000 | FTA Sec 5307 | \$20,750 | | 2008 | 2009 | TIP/548 |
| GPS/Dispatching/Scheduling Equipment | Operations Facility | \$725,000 | \$580,000 | FTA Sec 5307 | \$145,000 | | 2008 | 2009 | TIP/548 |
| Shelter Replacement | Systemwide | \$31,000 | \$24,800 | FTA Sec 5307 | | \$6,200 | 2008 | 2009 | TIP/548 |
| Shelter Replacement | Systemwide | \$52,444 | \$41,955 | FTA Sec 5307 | | \$10,489 | 2008 | 2009 | TIP/548 |
| Acquire/Install new camera surveillance system at loop facility | Loop Facility | \$7,125 | \$5,700 | FTA Sec 5307 | | \$1,425 | 2008 | 2009 | TIP - new grant |
| Purchase Bus Maintenance Equipment (MODIS diagnostic device, cyclone vac system, and more) | Operations Facility | \$103,750 | \$83,000 | FTA Sec 5307 | \$20,750 | | 2008 | 2009 | TIP - new grant |
| Purchase Bus Maintenance Equipment (reels, hoses, dispensing guns, and more) | Operations Facility | \$103,750 | \$83,000 | FTA Sec 5307 | \$20,750 | | 2008 | 2009 | TIP - new grant |
| Two revenue vehicles, spare parts | Systemwide | \$800,000 | \$640,000 | CMAQ | \$160,000 | | 2008 | 2009 | TIP - new grant |
| Shelter Replacement | Systemwide | \$49,193 | \$39,354 | FTA Sec 5307 | | \$9,839 | 2008 | 2010 | TIP - new grant |
| Install New Roof @ Adam Benjamin MC. | Metro Center | \$875,000 | \$700,000 | FTA Sec 5307 | | \$175,000 | 2008 | 2010 | TIP - new grant |
| Four revenue vehicles, spare parts | Systemwide | \$1,600,000 | \$1,280,000 | CMAQ | \$320,000 | | 2009 | 2010 | TIP - new grant |
| Shelter Replacement | Systemwide | \$52,330 | \$41,864 | FTA Sec 5307 | | \$10,466 | 2009 | 2010 | TIP - 09 |
| Bus Wash | Operations Facility | \$100,000 | \$80,000 | FTA Sec 5307 | | \$20,000 | 2010 | 2010 | TIP - 09 |
| Shelter Replacement | Systemwide | \$53,377 | \$42,702 | FTA Sec 5307 | | \$10,675 | 2010 | 2011 | TIP - 09 |
| Shelter Replacement | Systemwide | \$54,444 | \$43,555 | FTA Sec 5307 | | \$10,889 | 2010 | 2011 | TIP - 09 |
| Replace Engine Diagnostic Equipment | Operations Facility | \$25,000 | \$20,000 | FTA Sec 5307 | | \$5,000 | 2012 | 2012 | TIP - 09 |
| Concrete Staging Area | Operations Facility | \$250,000 | \$200,000 | FTA Sec 5307 | | \$50,000 | 2012 | 2012 | TIP - 09 |
| Replacement Fareboxes | Systemwide | \$287,000 | \$229,600 | FTA Sec 5307 | \$57,400 | | 2012 | 2012 | TIP - 09 |
| Install On-Board Camera Equipment | Systemwide | \$375,000 | \$300,000 | FTA Sec 5307 | \$75,000 | | 2012 | 2012 | TIP - 09 |
| Telephone System Upgrade | Metro Center, Operations Facility | \$100,000 | \$80,000 | FTA Sec 5307 | | \$20,000 | 2013 | 2013 | TIP - 09 |
| Exterior Lighting | Operations Facility | \$500,000 | \$400,000 | FTA Sec 5307 | | \$100,000 | 2013 | 2013 | TIP - 09 |
| | | \$8,259,288 | \$6,607,430 | | \$1,128,787 | \$523,071 | | | |

MATCH DETAILS FOR "OTHER" FUND SOURCES

University Park Transit Center: Includes potential of Community Development Corporation funding partnership

Shelter Replacements: GPTC will apply for CDBG funding to be paired with private sponsorship

Install New Roof at ABMC: As a city-owned facility, GPTC will work with the City of Gary for the matching and advancement of this project. The City will likely use CDBG funds

Exterior Lighting: GPTC will apply for CDBG funds for the matching of this project

Employee Improvement and Training

On a regular basis, GPTC staff is required to attend training events, on-site and off-site, to further develop and expand upon individual and collective skills. These training opportunities are usually assembled a year in advance, and funding for training is included in 2008-2013 financial forecasts as permanent items in departmental budgets.

The staff of GPTC has identified training opportunities for the rest of 2008 and for 2009. They are not a complete list, as programs are often announced, or come to our attention, throughout the year.

Department: Human Resources

- The Federal Transit Administration's National Conference on Drug and Alcohol Programs (Nashville, TN; April 2009)
- National Training Institute's Human Resources Practitioner Series (2009)
- Northwest Indiana Center for Data & Analysis' ArcGIS Training Session (Gary, IN; 2009)

Department: Maintenance

- National Institute for Automobile Service Excellence's twice-yearly certification testing

Department: Planning and Marketing

- Northwest Indiana Center for Data & Analysis' ArcGIS Training Session (Gary, IN; 2008)
- National Training Institute: Transit Marketing – Revenue Generation (2009)
- National Training Institute: Building and Retaining Ridership (2009)

Department: Transportation

- National Training Institute: Paratransit Scheduling & Dispatching Fundamentals (2009)
- National Training Institute: ADA Paratransit Eligibility (2009)
- National Training Institute: Managing the Cost of ADA Services (2009)
- National Training Institute: Transit Trainers Workshop (2009)
- American Public Transportation Association Conference and Roadeo (Seattle, WA; 2009)
- Northwest Indiana Center for Data & Analysis' ArcGIS Training Session (Gary, IN; 2009)

FUTURE CONSIDERATIONS

The GPTC 2008-2013 Financial Plan shall serve as the framework for budgeting, operational and capital programs for the Gary Public Transportation Corporation. It is GPTC's intent to annually revisit this document, for the purpose of reviewing goals and their implementation.

This plan's Capital Budget shall also serve as the official Program of Projects for submission of capital requests for federal funds, in that this Capital Budget will guide grant submissions to NIRPC and the FTA. Likewise, any subsequent changes to the Program of Projects in NIRPC's Transportation Improvement Program (TIP) will be reflected in GPTC's three-year program.

This plan will also guide operating budget decisions, and will serve as a resource to GPTC staff, its Board of Directors, and federal officials as budget decisions are made. Anticipated budget decisions, as with the Capital Budget, will be reflected in this plan.